

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF PENNSYLVANIA**

RATNA KAMMULURI, Derivatively on Behalf
of OCUGEN, INC.,

Plaintiff,

v.

SHANKAR MUSUNURI, KIRSTEN M.
CASTILLO, PRABHAVATHI FERNANDES,
UDAY KOMPPELLA, RAMESH KUMAR,
JUNGE ZHANG, MARNA C. WHITTINGTON,
SANJAY SUBRAMANIAN, MANISH POTTI,
JESSICA CRESPO, QUAN VU, and MICHAEL
BREININGER,

Defendants,

and

OCUGEN, INC.,

Nominal Defendant.

Case No:

**VERIFIED SHAREHOLDER
DERIVATIVE COMPLAINT**

JURY TRIAL DEMANDED

Plaintiff Ratna Kammuluri (“Plaintiff”), by and through Plaintiff’s undersigned counsel, derivatively on behalf of and for the benefit of Nominal Defendant Ocugen, Inc. (“Ocugen” or the “Company”), submits this Verified Shareholder Derivative Complaint against Shankar Musunuri (“Musunuri”), Kirsten M. Castillo (“Castillo”), Prabhavathi Fernandes (“Fernandes”), Uday Kompella (“Kompella”), Ramesh Kumar (“Kumar”), Junge Zhang (“Zhang”), Marna C. Whittington (“Whittington”), Sanjay Subramanian (“Subramanian”), Manish Potti (“Potti”), Jessica Crespo (“Crespo”), Quan Vu (“Vu”), and Michael Breininger (“Breininger”) (the “Individual Defendants” and together with Ocugen, “Defendants”) for and among other things, their breaches of fiduciary duties and violations of the federal securities laws.

Plaintiff's allegations are based upon personal knowledge as to Plaintiff and Plaintiff's own acts, and upon information and belief, developed from the investigation and analysis by Plaintiff's counsel, including a review of filings by Ocugen with the United States Securities and Exchange Commission ("SEC"), press releases, news reports, analyst reports, investor conference transcripts and shareholder communications, publicly available filings in lawsuits, and matters of public record. Plaintiff believes that substantial evidentiary support will exist for the allegations set forth herein after a reasonable opportunity for discovery.

NATURE OF THE ACTION

1. This is a shareholder derivative action brought against certain current and former Ocugen officers and members of Ocugen's Board of Directors (the "Board") that seeks to remedy wrongdoing committed by the Individual Defendants from May 8, 2020 through the present (the "Relevant Period").

2. Ocugen is a biotechnology company headquartered in Malvern, Pennsylvania that focuses on discovering, developing, and commercializing gene and cell therapies and vaccines that address certain eye diseases.

3. During the Relevant Period, the Individual Defendants made false and/or misleading statements and/or failed to disclose that: (i) Ocugen's financial statements issued during the Relevant Period were materially misstated; (ii) Ocugen did not have adequate internal controls in place; and (iii) as a result, the Individual Defendants' statements about the Company's business, operations, and prospects, were materially false and misleading and/or lacked a reasonable basis at all times.

4. On April 1, 2024, the truth emerged when Ocugen filed with the SEC a current report on Form 8-K (the "April 2024 8-K"), announcing that the Company had "identified certain

accounting errors related to the application of U.S. GAAP to certain agreements with one of its business partners related to a collaboration agreement.” As a result:

the Company’s previously-issued audited consolidated financial statements for each fiscal year beginning January 1, 2020 and its previously-issued unaudited interim condensed consolidated financial statements for each of the first three quarters in such years, as well as the associated earnings releases and investor presentations or other communications describing such financial statements, were materially misstated.

5. The April 2024 8-K further revealed that the Company would be issuing restatements of its financial statements “as of and for the year ended December 31, 2022” and “for the first three quarters of 2023 and 2022 in its 2023 Form 10-K.” Specifically, “the identified errors will result in a restatement of the following financial statement line-item captions: Collaborative arrangement revenue, Research and development expenses, Other income (expense), net and Accrued expenses and other current liabilities.”

6. Also on April 1, 2024, Ocugen filed a Notification of Late Filing on Form 12b-25 with the SEC (the “Notification of Late Filing”). The Notification of Late Filing stated that “[g]iven the scope of the process to prepare the restatements and related disclosures, the Company requires additional time to prepare and review its financial statements and other disclosures in its 2023 Form 10-K. Therefore, the company is unable to complete and file the 2023 Form 10-K by the required due date of April 1, 2024.”

7. On this news, Ocugen’s stock price declined 10.38%, from a closing price of \$1.54 per share on April 1, 2024, to a closing price of \$1.38 per share on April 2, 2024.

8. In light of the Individual Defendants’ misconduct, the Company as well as Defendants Musunuri, Subramanian, Crespo, Vu, and Breininger were named as defendants in a federal securities fraud class action lawsuit pending in this Court, captioned *Patterson v. Ocugen, Inc., et al.*, Case No. 2:24-cv-01500-KBH (the “Securities Class Action.”) The Securities Class

Action has further subjected Ocugen to the need to undertake internal investigations and the need to implement adequate controls, as well as exposed the Company to massive class-wide liability.

JURISDICTION AND VENUE

9. This Court has subject matter jurisdiction pursuant to 28 U.S.C. § 1331 because Plaintiff's claims raise a federal question under Sections 14(a) and 21D of the Securities Exchange Act of 1934 (the "Exchange Act") (15 U.S.C. §§ 78n(a)(1) and 78u-4(f)) and Rule 14a-9 of the Exchange Act (17 C.F.R. § 240.14a-9). Plaintiff's claims also raise a federal question pertaining to the claims made in the Securities Class Action based on violations of the Exchange Act.

10. This Court has supplemental jurisdiction over Plaintiff's state law claims pursuant to 28 U.S.C. § 1367(a).

11. This Court has personal jurisdiction over each defendant named herein because each defendant is either a corporation that conducts business in and maintains operations in this District or is an individual who has sufficient minimum contacts with this District to render the exercise of jurisdiction by the courts of this District permissible under traditional notions of fair play and substantial justice.

12. This derivative action is not a collusive action to confer jurisdiction on a court of the United States that it would not otherwise have.

13. Venue is proper in this Court pursuant to 28 U.S.C. § 1391(b) because: (i) Ocugen maintains its principal place of business in this District; (ii) one or more of the defendants either resides in or maintains executive offices in this District; (iii) a substantial portion of the transactions and wrongs complained of herein occurred in this District; and (iv) Defendants have received substantial compensation in this District by doing business here and engaging in numerous activities that had an effect in this District.

PARTIES

14. Plaintiff is a current shareholder of Ocugen and has continuously held Ocugen common stock at all relevant times, including prior to the beginning of the Relevant Period.

15. Nominal Defendant Ocugen is a Delaware corporation with its principal executive offices located at 11 Great Valley Parkway, Malvern, Pennsylvania 19355. The Company's common stock trades on the NASDAQ under the ticker symbol "OCGN."

16. Defendant Musunuri is a co-founder of Ocugen and has served as Chairman of the Board since 2013 and as the Company's Chief Executive Officer ("CEO") since 2015. According to the proxy statement filed on Schedule 14A with the SEC on May 28, 2024 (the "2024 Proxy Statement"), in 2022 and 2023, Defendant Musunuri received \$7,662,810 and \$4,535,231, respectively, in total compensation from the Company.

17. Defendant Castillo has served as a director of Ocugen since 2020. Defendant Castillo also serves as the Chair of the Nominating and Corporate Governance Committee and as a member of the Audit Committee, the Compensation Committee, and the Science and Technology Committee. According to the 2024 Proxy Statement, in 2023, Defendant Castillo received \$110,821 in total compensation from the Company.

18. Defendant Fernandes has served as a director of Ocugen since 2020. Defendant Fernandes also serves as the Chair of the Compensation Committee and as a member of the Audit Committee and the Science and Technology Committee. According to the 2024 Proxy Statement, in 2023, Defendant Fernandes received \$124,625 in total compensation from the Company.

19. Defendant Kompella co-founded Ocugen in 2013 and has served as a director of Ocugen since 2019. Defendant Kompella also serves as Chair of the Science and Technology Committee and as a member of the Nominating and Corporate Governance Committee and the

Compensation Committee. According to the 2024 Proxy Statement, in 2023, Defendant Kompella received \$102,125 in total compensation from the Company.

20. Defendant Zhang has served as a director of Ocugen since 2019. Defendant Zhang also serves as a member of the Nominating and Corporate Governance Committee. According to the 2024 Proxy Statement, in 2023, Defendant Zhang received \$87,125 in total compensation from the Company.

21. Defendant Whittington has served as a director of Ocugen since 2022. Defendant Whittington also serves as Chair of the Audit Committee and as a member of the Compensation Committee. According to the 2024 Proxy Statement, in 2023, Defendant Whittington received \$103,321 in total compensation from the Company. Defendant Whittington previously served as Chief Financial Officer of the University of Pennsylvania, as well as the Secretary of Finance for the State of Delaware. Defendant Whittington also holds a Master and Ph.D. in Quantitative Methods from the University of Pittsburgh and a Bachelor of Arts in Mathematics from the University of Delaware. As such, Defendant Whittington is deemed a “financial expert” in the Company’s Amended Annual Report filed on Form 10-K/A in April 2024.

22. Defendant Kumar served as a director of Ocugen from September 2019 until his resignation on June 28, 2024. According to the 2024 Proxy Statement, in 2023, Defendant Kumar received \$144,013 in total compensation from the Company.

23. Defendant Potti served as a director of Ocugen from September 2019 until his resignation in June 2022. While a director, Defendant Potti served as a member of the Audit Committee. According to the proxy statement filed on Schedule 14A with the SEC on April 20, 2023 (the “2023 Proxy Statement”), in 2022, Defendant Potti received \$167,970 in total compensation from the Company.

24. Defendant Breininger has served as Ocugen's Corporate Controller since August 2023 and as the Interim Chief Accounting Officer ("CAO") since September 2023. According to the 2024 Proxy Statement, in 2023, Defendant Breininger received \$226,935 in total compensation from the Company. According to the Company's website, Defendant Breininger "has been providing accounting and financial consulting services with a focus in the life sciences and industrial products industries" and "has executed a variety of projects including extensive ASC 606 and ASC 842 implementations, carve-out reporting for a pharmaceutical company, and various technical accounting analysis."

25. Defendant Subramanian served as Ocugen's Chief Financial Officer ("CFO") and Head of Corporate Development from October 2019 until his resignation, effective March 18, 2022. According to the proxy statement filed on Schedule 14A with the SEC on April 28, 2022 (the "2022 Proxy Statement"), in 2021, Defendant Subramanian received \$2,602,661 in total compensation from the Company.

26. Defendant Crespo served as Ocugen's CAO from March 18, 2022, until her resignation, effective March 10, 2023. According to the 2024 Proxy Statement, in 2023, Defendant Crespo received \$712,300 in total compensation from the Company. Defendant Crespo is a Certified Public Accountant ("CPA") and has held various accounting roles throughout her career, including working at Ernst & Young, Ocugen's independent auditor.

27. Defendant Vu served as Ocugen's Chief Business Officer ("CBO") from February 2023 and as CFO from March 2023 until his resignation from both roles, effective August 14, 2023. According to the 2024 Proxy Statement, in 2023, Defendant Vu received \$790,113 in total compensation from the Company.

28. Defendants Musunuri, Castillo, Fernandes, Kompella, Zhang, Whittington, Kumar,

and Potti are herein referred to, collectively, as the “Proxy Defendants.”

FIDUCIARY DUTIES OF THE INDIVIDUAL DEFENDANTS

29. By reason of their positions as officers, directors, and/or fiduciaries of Ocugen and because of their ability to control the business and corporate affairs of Ocugen, the Individual Defendants owed Ocugen and its shareholders the fiduciary obligations of trust, loyalty, good faith, and due care, and were and are required to use their utmost ability to control and manage Ocugen in a fair, just, honest, and equitable manner. The Individual Defendants were and are required to act in furtherance of the best interests of Ocugen and its shareholders.

30. Each director and officer of Ocugen owes to Ocugen and its shareholders the fiduciary duty to exercise good faith and diligence in the administration of the affairs of Ocugen and in the use and preservation of its property and assets, as well as the highest obligations of fair dealing.

31. The Individual Defendants, as officers and/or directors of a publicly held company whose common stock was registered with the SEC pursuant to the Exchange Act and traded on the NASDAQ, had a duty to promptly disseminate accurate and truthful information regarding Ocugen’s operations, finances, financial condition, financial statements, performance, growth, earnings, internal controls, and present and future business prospects so that the market price of Ocugen’s stock would be based on truthful, accurate, and fairly presented information.

32. The Individual Defendants, because of their positions of control and authority as directors and/or officers of Ocugen, were able to and did, directly and/or indirectly, exercise control over the wrongful acts complained of herein, as well as the contents of the various public statements issued by Ocugen. Because of their advisory, executive, managerial and directorial positions with Ocugen, each of the Individual Defendants had access to adverse non-public

information about the financial condition, operations, sales and marketing practices, and improper representations of Ocugen.

33. The Individual Defendants, as officers and/or directors of Ocugen, were required to discharge their duties by exercising reasonable and prudent supervision over the management, policies, practices, and controls of the financial affairs of Ocugen. By virtue of such duties, the officers and directors of Ocugen were required to, among other things:

- (a) ensure that the Company complied with its legal obligations and requirements, including acting only within the scope of its legal authority and disseminating truthful and accurate statements to the SEC and the investing public;

- (b) conduct the affairs of the Company in an efficient, ethical, and businesslike manner so as to make it possible to provide the highest quality performance of its business, to avoid wasting the Company's assets, and to maximize the value of the Company's stock;

- (c) properly and accurately guide the public, investors, and analysts as to the true financial condition of the Company at any given time, including making accurate statements about the Company's business prospects, and ensuring that the Company maintained an adequate system of internal legal, financial, and management controls such that the Company's financial reporting would be true and accurate at all times;

- (d) remain informed as to how the Company conducted its operations, and, upon receipt of notice or information of imprudent or unsound conditions or practices, make reasonable inquiries in connection therewith, take steps to correct such conditions or practices, and make such disclosures as necessary to comply with federal and state securities laws;

- (e) ensure that the Company was operated in a diligent, honest, and prudent manner in compliance with all applicable federal, state and local laws, and rules and regulations;

and

(f) ensure that all decisions were the product of independent business judgment and not the result of outside influences or entrenchment motives.

34. Each Individual Defendant, by virtue of his or her position as a director and/or officer, owed to Ocugen and to its shareholders the fiduciary duties of loyalty, good faith, and the exercise of due care and diligence in the management and administration of the affairs of the Company, as well as in the use and preservation of its property and assets.

35. The conduct of the Individual Defendants complained of herein involves a knowing and culpable violation of their obligations as directors and officers of Ocugen, the absence of good faith on their part, and a reckless disregard for their duties to Ocugen and its shareholders that the Individual Defendants were aware or should have been aware posed a risk of serious injury to the Company.

36. The Individual Defendants breached their duties of loyalty and good faith by causing Ocugen to issue false and misleading statements concerning its financial condition. As a result, Ocugen has expended, and will continue to expend, significant sums of money related to investigations and lawsuits and to structure settlements to resolve them.

THE CODE OF BUSINESS CONDUCT AND ETHICS

37. Ocugen's Code of Business Conduct and Ethics (the "Code of Conduct"), which applies to all employees, executive officers, and directors of Ocugen, states that it exists as a "reaffirmation" of its "commitment to conducting [Ocugen's] business ethically, with integrity, and to observe applicable laws, rules and regulations."

38. The Code of Conduct goes on to provide the following explanation of its purpose:

The Code is designed to promote (i) honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and

professional relationships, (ii) full, fair, accurate, timely, and understandable disclosure in reports and documents the Company files with, or submit to, the Securities and Exchange Commission (the “SEC”) and in our other public communications, (iii) compliance with applicable governmental laws, rules and regulations, (iv) prompt internal reporting of violations of the Code to an appropriate person or persons identified in the Code and (v) to ensure accountability for adherence to the Code. It also serves as a guide to help us achieve our goals and set expectations by highlighting many of the laws, rules and regulations that affect our industry. But, more importantly, it helps protect our reputation by ensuring to our business partners, investors and patients that together we are committed to a culture of compliance. The Company’s Chief Financial Officer or other person performing similar duties (such person is referred to herein as the “Chief Financial Officer”) has been designated to be the compliance officer (the “Compliance Officer”) for purposes of the implementation, interpretation and administration of the Code.

39. Under the sub-heading “Your Responsibilities,” the Code of Conduct provides:

The Code is meant to familiarize you with our commitment to conducting our business ethically and with integrity and to observe applicable laws, rules and regulations. It is of the utmost importance that you read, understand and comply with the Code. We expect all employees, executive officers and directors to:

- Understand and comply with the Code and all other Ocugen policies;
- Act with integrity, honesty and high ethical standards in conducting Ocugen business;
- Always treat colleagues with respect;
- Seek guidance if you are unsure about what to do in a particular situation;
- Promptly report any suspected violations of this Code to the appropriate persons; and
- Fully cooperate with any Company investigation of alleged misconduct.

40. Under the sub-heading “Additional Responsibilities of Supervisors, Executive

Officers and Directors,” the Code of Conduct states:

Supervisors, executive officers and directors have additional responsibilities and are expected to serve as a positive role model for employees. Supervisors, executive officers and directors must:

- Create an environment where employees are encouraged to ask questions and raise concerns without fear of retaliation;

- Demonstrate commitment to maintaining high ethical standards;
- Enforce and comply with the Code; and
- Promptly report any suspected violations of this Code to the appropriate persons.

41. Under the sub-heading titled “Reporting,” the Code of Conduct states:

Every employee, executive officer and director has the responsibility to ask questions, seek guidance, report suspected violations and express concerns regarding the enforcement of the Code, the law and other Company policies.

Any employee, executive officer or director who knows or believes that any other employee or agent of the Company has engaged, or is engaging, in conduct that violates applicable law, this Code or Company policy should report such information to their supervisor, a Human Resources representative, our Compliance Officer or anonymously by submitting such concerns via the Whistleblower Hotline. All employees have access to the Company’s Whistleblower Hotline, via telephone at +1 844-684-5525 or online at ocugen.ethicspoint.com, through which suspected violations may be reported confidentially and anonymously. Human Resources will monitor the Whistleblower Hotline. Human Resources or the relevant supervisor to whom concerns were reported must promptly report concerns of suspected violations to the Compliance Officer (unless the report concerns the Compliance Officer, in which case the report may be made directly to the Audit Committee). Any concerns involving directors or executive officers will be reported by the Compliance Officer to the Audit Committee. While we prefer that you identify yourself when reporting violations so that we may follow up with you, as necessary, for additional information, you may report anonymously.

While it is our desire to address matters internally, nothing in the Code should discourage you from reporting any illegal activity, including any violation of securities laws, antitrust laws, environmental laws or any other federal, state or foreign law, rule or regulation, to the appropriate regulatory authority.

42. Under a sub-heading titled “Compliance with Laws, Rules, and Regulations

Worldwide,” the Code of Conduct states:

Our industry is highly regulated, and regulation affects virtually every functional area of our business.

Ocugen and all of our employees are required to comply with all laws, rules and regulations that apply to the operations of our Company including, but not limited to, laws, rules and regulations that govern the development, manufacturing and clinical distribution of products; securities laws; privacy laws; employment laws;

and local, state and federal laws, including those relating to duties owed by corporate officers and directors.

In certain aspects of our business activities, we have made further commitments to comply with generally accepted industry codes of conduct. Because Ocugen may operate outside of the United States, the laws and regulatory requirements of more than one country may apply to certain activities. In the event local laws and regulatory requirements differ from the Code or other Company policy, the stricter requirements generally apply.

43. Under a sub-heading titled “Insider Trading,” the Code of Conduct states:

You are prohibited from buying, selling or engaging in any other transaction with respect to securities of Ocugen or any other company, including the Company’s suppliers and customers, while in possession of material, non-public information. Material information is any information that a reasonable investor would consider important in making an investment decision. You must also refrain from sharing, tipping or disclosing material, non-public information with others.

You should be aware that stock market surveillance techniques are becoming increasingly sophisticated, and the probability that U.S. federal or other regulatory authorities will detect and prosecute even small level trading is significant. Insider trading rules are strictly enforced, even in instances where the financial transactions seem small. Violations of the U.S. securities laws may result in civil and criminal penalties, including disgorgement of profits, civil judgments, fines and jail sentences.

All directors, executive officers and employees are also subject to our Insider Trading Policy, which is available on our intranet site. You should review and be familiar with the Insider Trading Policy. If you are uncertain about the constraints on your purchase or sale of any securities by virtue of your relationship with Ocugen, you should consult with our Chief Financial Officer or our Compliance Officer before making any such purchases or sale.

44. Under a sub-heading titled “Accuracy of Books and Records and Public Reports,” the Code of Conduct states:

The Company has an obligation to make and keep books, records and accounts that, in reasonable detail, accurately and fairly reflect the Company’s transactions and to maintain tax records and prepare tax returns that comply with applicable laws, rules and regulations. The Company must also maintain a system of internal accounting controls that meet generally accepted accounting principles and applicable laws, rules and regulations. All employees who are responsible for any aspect of the Company’s internal accounting controls and financial and tax reporting systems (including, but not limited to, the Chief Executive Officer, Chief

Financial Officer, the principal Financial Officer, the principal accounting officers and persons performing similar functions) must conduct themselves using the highest ethical standards of integrity and honesty, in a manner that allows the Company to meet accounting and legal requirements and to prepare financial reports and financial statements that are not false or misleading, and that present full, fair, accurate, timely and understandable disclosure in the Company's periodic reports and other public communications.

You must honestly and accurately report all business transactions. You are responsible for the accuracy of your records and reports. Accurate information is essential to our ability to meet legal and regulatory requirements.

All Company books, records and accounts will be maintained in accordance with all applicable regulations and standards and accurately reflect the true nature of the transactions they record. No employee, executive officer or director may override, or direct others to override, the Company's established system of internal controls over financial reporting and disclosure. The financial statements of the Company must conform to generally accepted accounting rules and the Company's finance policies. No undisclosed or unrecorded account or fund shall be established for any purpose. No false or misleading entries should be made in the Company's books or records for any reason, and no disbursement of corporate funds or other corporate property should be made without adequate supporting documentation. Transactions of the Company are to be executed only in accordance with management's general or specific authorizations.

It is our policy to provide full, fair, accurate, timely and understandable disclosure in reports and documents filed with, or submitted to, the SEC and in other public communications.

THE AUDIT COMMITTEE CHARTER

45. Ocugen also maintains an Audit Committee Charter (the "Charter"), which sets forth additional responsibilities of the members of the Board's Audit Committee.

46. According to the Charter, the purpose of the Audit Committee is "to assist the Board's oversight of the Company's accounting and financial reporting processes and the audits of the Company's financial statements."

47. Under a sub-heading titled "Authority and Responsibilities," the Charter outlines the Audit Committee's responsibilities as follows:

The Audit Committee shall discharge its responsibilities, and shall assess the

information provided by the Company's management and the Company's registered public accounting firm (the "independent auditor"), in accordance with its business judgment. Management is responsible for the preparation, presentation, and integrity of the Company's financial statements, for the appropriateness of the accounting principles and reporting policies that are used by the Company and for establishing and maintaining adequate internal control over financial reporting. The independent auditor is responsible for auditing the Company's financial statements and, when required, the Company's internal control over financial reporting and for reviewing the Company's unaudited interim financial statements. The authority and responsibilities set forth in this Charter do not reflect or create any duty or obligation of the Audit Committee to plan or conduct any audit, to determine or certify that the Company's financial statements are complete, accurate, fairly represented, or in accordance with generally accepted accounting principles or applicable law, or to guarantee the independent auditor's reports.

48. Under a sub-heading titled "Oversight of Independent Auditor," the Charter outlines the Audit Committee's responsibilities as follows, in relevant part:

- **Selection.** The Audit Committee shall be solely and directly responsible for appointing, evaluating, retaining and, when necessary, terminating the engagement of the independent auditor. The Audit Committee may, in its discretion, seek stockholder ratification of the independent auditor it appoints.
- **Independence.** The Audit Committee shall take, or recommend that the full Board take, appropriate action to oversee the independence of the independent auditor. In connection with this responsibility, the Audit Committee shall obtain and review the requirements of the Public Company Accounting Oversight Board (the "PCAOB") regarding the independent auditor's communications with the Audit Committee concerning independence. The Audit Committee shall actively engage in dialogue with the independent auditor concerning any disclosed relationships or services that might impact the objectivity and independence of the auditor.
- **Compensation.** The Audit Committee shall have sole and direct responsibility for setting the compensation of the independent auditor. The Audit Committee is empowered, without further action by the Board, to cause the Company to pay the compensation of the independent auditor established by the Audit Committee
- **Preapproval of Services.** The Audit Committee shall preapprove all audit services to be provided to the Company, whether provided by the principal auditor or other firms, and all other services (review, attest and non-audit) to be provided to the Company by the independent auditor;

provided,

however, that de minimis non-audit services may instead be approved in accordance with applicable SEC rules

- Oversight. The independent auditor shall report directly to the Audit Committee, and the Audit Committee shall have sole and direct responsibility for overseeing the work of the independent auditor, including resolution of disagreements between Company management and the independent auditor regarding financial reporting

49. Under a sub-heading titled “Audited Financial Statements,” the Charter outlines the Audit Committee’s responsibilities as follows:

- Review and Discussion. The Audit Committee shall review and discuss with the Company’s management and independent auditor the Company’s audited financial statements, including the matters required to be discussed by AS 16.
- Recommendation to Board Regarding Financial Statements. The Audit Committee shall review and discuss the Company’s annual audited financial statements, interim financial statements and any certification, report, opinion or review rendered by the independent auditor with the Company’s management and the independent auditor. The Audit Committee shall recommend to the Board whether the annual audited financial statements and related notes should be included in the Company’s annual report on Form 10-K
- Audit Committee Report. The Audit Committee shall prepare an annual committee report for inclusion where necessary in the proxy statement of the Company relating to its annual meeting of security holders.

50. Under a sub-heading titled “Review of Other Financial Disclosures,” the Charter outlines the Audit Committee’s responsibilities as follows:

Independent Auditor Review of Interim Financial Statements. The Audit Committee shall direct the independent auditor to use its best efforts to perform all reviews of interim financial information prior to disclosure by the Company of such information and to discuss promptly with the Audit Committee and Chief Financial Officer any matters identified in connection with the auditor’s review of interim financial information which are required to be discussed by applicable auditing standards. The Audit Committee shall direct management to advise the Audit Committee in the event that the Company proposes to disclose interim financial information prior to completion of the independent auditor’s review of interim financial information.

SUBSTANTIVE ALLEGATIONS

Background

51. Ocugen was founded in 2013 and purports to be focused on “discovering, developing, and commercializing a pipeline of innovative therapies that address rare and underserved eye diseases.”

52. The company uses business partnerships and licensing opportunities to expand the reach of its products. These strategies often take the form of collaboration arrangements with pharmaceutical or other biotechnology companies. For example, in 2022, Ocugen entered into an agreement with Advaita, Inc. “to develop and validate bioanalytical methods for SARS-CoV-2 Spike S1 ELISA, in support of our trials and ongoing research.”

53. These types of collaborative arrangements are common in the life sciences industry and between biotech companies and pharmaceutical firms, where these different companies often join forces to develop and commercialize new products and services.

54. The Financial Accounting Standards Board (“FASB”) originally defined the term collaborative arrangement as part of its Accounting Standards Codification (“ASC”) Topic 808.

55. On November 5, 2018, FASB issued Standards Update 2018-18, which amended the decade-old Topic 808. The update provided guidance on accounting for consideration received from a collaborative arrangement participant. The 2018 guidance clarified when a transaction between entities in a collaborative arrangement should be accounted for as a contract with a customer and hence within the scope of the new revenue standard. Specifically, when the unit of account (*i.e.*, a promised good or service or bundle of goods or services) that is distinct within the collaborative arrangement is with a customer. In such a situation, all aspects of ASC Topic 606

should be applied, including its recognition, measurement, presentation, and disclosure requirements.

56. Of note, on November 6, 2018, Ocugen’s independent auditor, Ernst & Young, published a document analyzing FASB’s Accounting Standards Update 2018-18. In a section entitled “What you need to know,” EY noted that:

- The FASB amended ASC 808 and ASC 6060 to clarify that certain transactions between participants in a collaborative arrangement should be accounted for under ASC 606 when the counterparty is a customer.
- The guidance precludes an entity from presenting consideration from a transaction in a collaborative arrangement as revenue from contracts with customers if the counterparty is not a customer for that transaction.
- The guidance amends ASC 808 to refer to the unit-of-account guidance in ASC 606 and requires it to be used only when assessing whether a transaction is in the scope of ASC 606.
- The guidance is effective for public business entities in fiscal years beginning after 15 December 2019, and interim periods therein, and for all other entities, in fiscal years beginning after 15 December 2020, and interim periods beginning the following fiscal year. Early adoption is permitted for entities that have adopted ASC 606.

57. With respect to research and development (“R&D”) costs, Biotech companies are compelled by U.S. Generally Accepted Accounting Principles (“GAAP”) to handle expenses for R&D with strict accounting practices. Under ASC 730-10-25-1, costs accruing from clinical trials and other R&D activities are expensed as incurred. This includes expenses directly that are critical in the development and commercialization of new drugs.

58. The point in time at which these expenses are recognized affects the financial statements of a biotech company. By immediately expensing R&D costs, companies reflect a realistic view of the investment being made in the uncertain area of drug development. The rigor in these accounting practices is crucial for providing clear, transparent financials to investors and regulatory bodies.

59. As detailed above, Defendants Whittington, Crespo, and Breininger have extensive experience and expertise in the financial and accounting industries. Furthermore, according to the Company's Amended Annual Report filed with the SEC on Form 10-K/A in April 2024, each member of the Audit Committee – Defendants Whittington, Castillo, and Fernandes – is considered “financially literate.”

60. Accordingly, these Individual Defendants are, or should be, familiar with applicable accounting standards and accounting treatment of, *inter alia*, collaborative arrangement revenue, R&D expenses, other income (expense), net and Accrued expenses and other current liabilities. This is especially true for the above-named Individual Defendants who are CPA's and/or have extensive accounting experience with collaborative agreements within the life sciences industry.

Materially False and Misleading Statements Issued During the Relevant Period

The 1Q20 10-Q

61. On May 8, 2020, Ocugen filed with the SEC a Quarterly Report on Form 10-Q for the first quarter of 2020 (the “1Q20 10-Q”). The 1Q20 10-Q was signed by Defendants Musunuri and Subramanian. Attached to the 1Q20 10-Q were certifications pursuant to the Sarbanes-Oxley Act of 2002 (“SOX”), signed by Defendants Musunuri and Subramanian, that attested to the accuracy of financial reporting, the disclosure of any material changes to Ocugen's internal control over financial reporting, and the disclosure of all fraud.

62. The 1Q20 10-Q contained the following statement regarding Ocugen's Internal controls:

We have carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e))

*under the Securities Exchange Act of 1934, as amended) (the “Exchange Act”), as of March 31, 2020.*¹ Based upon that evaluation, our principal executive officer and principal financial officer concluded that, as of the end of the period covered by this report, *our disclosure controls and procedures are effective in ensuring that (a) the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and (b) such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.*

63. The above-referenced statements were materially false and misleading at the time they were made because Ocugen lacked adequate internal controls and had materially misstated its financial results for the quarter.

64. Specifically, the 1Q20 10-Q contained the following false and misleading financial statements:

¹ All emphasis added, unless otherwise noted.

OCUGEN, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

	March 31, 2020	December 31, 2019
Assets		
Current assets		
Cash and cash equivalents	\$ 3,193,188	\$ 7,444,052
Prepaid expenses and other current assets	1,169,297	1,322,167
Asset held for sale	7,000,000	7,000,000
Total current assets	11,362,485	15,766,219
Property and equipment, net	248,997	222,464
Restricted cash	151,100	151,016
Other assets	551,163	667,747
Total assets	\$ 12,313,745	\$ 16,807,446
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	\$ 1,548,309	\$ 1,895,613
Accrued expenses	1,383,658	2,270,045
Operating lease obligation	176,616	172,310
Other current liabilities	206,415	205,991
Total current liabilities	3,314,998	4,543,959
Non-current liabilities		
Operating lease obligation, less current portion	117,142	163,198
Long term debt, net	1,580,560	1,072,123
Other non-current liabilities	3,940	9,755
Total non-current liabilities	1,701,642	1,245,076
Total liabilities	5,016,640	5,789,035
Commitments and contingencies (Note 8)		
Stockholders' equity		
Convertible preferred stock, \$0.01 par value, 10,000,000 shares authorized, seven issued and outstanding at March 31, 2020 and December 31, 2019	—	—
Common stock, \$0.01 par value, 200,000,000 authorized, 52,746,728 shares issued and 52,625,228 shares outstanding at March 31, 2020 and December 31, 2019	527,467	527,467
Treasury Stock, at cost, 121,500 shares at March 31, 2020 and December 31, 2019	(47,864)	(47,864)
Additional paid-in capital	62,241,145	62,018,632
Accumulated deficit	(55,423,643)	(51,479,824)
Total stockholders' equity	7,297,105	11,018,411
Total liabilities and stockholders' equity	\$ 12,313,745	\$ 16,807,446

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Unaudited)

	Three months ended March 31,	
	2020	2019
Operating expenses		
Research and development	\$ 1,652,318	\$ 3,793,022
General and administrative	2,276,784	1,048,020
Total operating expenses	3,929,102	4,841,042
Loss from operations	(3,929,102)	(4,841,042)
Other income (expense)		
Change in fair value of derivative liabilities	—	(776,273)
Interest income	119	594
Interest expense	(14,749)	(695,469)
Other income (expense)	(87)	(416)
Total other income (expense)	(14,717)	(1,471,564)
Net loss	\$ (3,943,819)	\$ (6,312,606)
Net loss per share of common stock — basic and diluted	\$ (0.07)	\$ (1.27)
Weighted average common shares outstanding — basic and diluted	52,627,228	4,960,552
Other comprehensive income (loss)		
Foreign currency translation adjustment	—	(282)
Comprehensive loss	\$ (3,943,819)	\$ (6,312,888)

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Three months ended March 31,	
	2020	2019
Cash flows from operating activities		
Net loss	\$ (3,943,819)	\$ (6,312,606)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	18,283	14,604
Non-cash interest expense	14,749	695,469
Non-cash lease expense	47,696	73,273
Change in fair value of derivative liability	—	776,273
Stock-based compensation expense	222,513	415,202
Changes in assets and liabilities:		
Prepaid expenses and other assets	227,870	49,555
Accounts payable and accrued expenses	(1,225,853)	1,723,507
Lease obligations	(47,862)	(102,488)
Net cash used in operating activities	(4,686,423)	(2,667,211)
Cash flows from investing activities		
Purchase of property and equipment	(52,653)	(10,581)
Net cash used in investing activities	(52,653)	(10,581)
Cash flows from financing activities		
Financing lease principal payments	(5,964)	(5,964)
Payment of debt issuance costs	(5,740)	(85,233)
Proceeds from issuance of debt	500,000	1,450,000
Net cash provided by financing activities	488,296	1,358,803
Effect of changes in exchange rate on cash	—	(282)
Net decrease in cash, cash equivalents and restricted cash	(4,250,780)	(1,319,271)
Cash, cash equivalents and restricted cash at beginning of period	7,595,068	1,778,613
Cash, cash equivalents and restricted cash at end of period	\$ 3,344,288	\$ 459,342
Supplemental disclosure of non-cash transactions:		
Right-of-use asset related to operating leases (Note 8)	\$ —	\$ 427,751

65. The financial statements provided *supra* were materially false and misleading, as Ocugen has since admitted that the financial statements in the 1Q20 10-Q could not be relied on.

The 2Q20 10-Q

66. On August 14, 2020, Ocugen filed a Quarterly Report on Form 10-Q with the SEC for the second quarter of 2020 (the “2Q20 10-Q”). The 2Q20 10-Q was signed by Defendants Musunuri and Subramanian. Attached to the 2Q20 10-Q were SOX certifications signed by Defendants Musunuri and Subramanian, that attested to the accuracy of financial reporting, the disclosure of any material changes to Ocugen’s internal control over financial reporting, and the

disclosure of all fraud.

67. The 2Q20 10-Q contained the following statement regarding the Company's internal controls:

We have carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) (the "Exchange Act"), as of June 30, 2020. Based upon that evaluation, our principal executive officer and principal financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures are effective in ensuring that (a) the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and (b) such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

68. The above-referenced statements were materially false and misleading at the time they were made because Ocugen lacked adequate internal controls and had materially misstated its financial results for the quarter.

69. Specifically, the 2Q20 10-Q contained the following false and misleading financial statements:

OCUGEN, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

	June 30, 2020
Assets	
Current assets	
Cash and cash equivalents	\$ 14,968,161
Prepaid expenses and other current assets	924,500
Asset held for sale	7,000,000
Total current assets	22,892,661
Property and equipment, net	232,354
Restricted cash	151,157
Other assets	482,711
Total assets	\$ 23,758,883
Liabilities and stockholders' equity	
Current liabilities	
Accounts payable	\$ 507,864
Accrued expenses	2,084,915
Short-term debt, net	4,068,176
Operating lease obligation	175,538
Other current liabilities	204,860
Total current liabilities	7,041,353
Non-current liabilities	
Operating lease obligation, less current portion	75,577
Long term debt, net	2,018,926
Other non-current liabilities	—
Total non-current liabilities	2,094,503
Total liabilities	9,135,856
Commitments and contingencies (Note 11)	
Stockholders' equity	
Convertible preferred stock; \$0.01 par value; 10,000,000 shares authorized; seven issued and outstanding at June 30, 2020 and December 31, 2019	—
Common stock; \$0.01 par value; 200,000,000 authorized; 135,128,144 and 52,746,728 shares issued at June 30, 2020 and December 31, 2019, respectively; 135,006,644 and 52,625,228 shares outstanding at June 30, 2020 and December 31, 2019, respectively	1,351,281
Treasury Stock, at cost, 121,500 shares at June 30, 2020 and December 31, 2019	(47,864)
Additional paid-in capital	72,357,228
Accumulated deficit	(59,037,618)
Total stockholders' equity	14,623,027
Total liabilities and stockholders' equity	\$ 23,758,883

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Revenues				
Collaboration revenue	\$ 42,620	\$ —	\$ 42,620	\$ —
Total revenues	42,620	—	42,620	—
Operating expenses				
Research and development	1,629,869	1,240,047	3,282,187	5,033,069
General and administrative	1,779,016	1,088,477	4,055,800	2,136,497
Total operating expenses	3,408,885	2,328,524	7,337,987	7,169,566
Loss from operations	(3,366,265)	(2,328,524)	(7,295,367)	(7,169,566)
Other income (expense)				
Change in fair value of derivative liabilities	—	(608,149)	—	(1,384,422)
Loss on debt conversion	—	(341,136)	—	(341,136)
Interest income	433	377	552	971
Interest expense	(248,143)	(261,562)	(262,892)	(957,031)
Other income (expense)	—	184	(87)	(232)
Total other income (expense)	(247,710)	(1,210,286)	(262,427)	(2,681,850)
Net loss	\$ (3,613,975)	\$ (3,538,810)	\$ (7,557,794)	\$ (9,851,416)
Deemed dividend related to Warrant Exchange	(12,546,340)	—	(12,546,340)	—
Net loss to common stockholders	\$ (16,160,315)	\$ (3,538,810)	\$ (20,104,134)	\$ (9,851,416)
Shares used in calculating net loss per common share — basic and diluted	83,537,463	6,067,401	68,082,346	5,461,576
Net loss per share of common stock — basic and diluted	\$ (0.19)	\$ (0.58)	\$ (0.30)	\$ (1.80)
Net loss	\$ (3,613,975)	\$ (3,538,810)	\$ (7,557,794)	\$ (9,851,416)
Other comprehensive income (loss)				
Foreign currency translation adjustment	—	(169)	—	(451)
Comprehensive loss	\$ (3,613,975)	\$ (3,538,979)	\$ (7,557,794)	\$ (9,851,867)

See accompanying notes to condensed consolidated financial statements.

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Six months ended June 30,	
	2020	2019
Cash flows from operating activities		
Net loss	\$ (7,557,794)	\$ (9,851,416)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	37,760	19,259
Non-cash interest expense	262,892	937,772
Non-cash lease expense	95,392	154,969
Change in fair value of derivative liability	—	1,384,422
Stock-based compensation expense	371,722	527,009
Loss on debt conversion	—	341,136
Other non-cash	(165,609)	—
Changes in assets and liabilities:		
Prepaid expenses and other assets	498,836	(32,986)
Other assets	—	(25,000)
Accounts payable and accrued expenses	(1,219,887)	653,767
Lease obligations	(95,918)	(139,857)
Net cash used in operating activities	(7,772,606)	(6,030,925)
Cash flows from investing activities		
Purchase of property and equipment	(34,458)	(2,067)
Payment of reverse asset acquisition costs	—	(130,000)
Net cash used in investing activities	(34,458)	(132,067)
Cash flows from financing activities		
Financing lease principal payments	(11,928)	(1,021)
Proceeds from issuance of common stock	16,160,239	1,000,000
Payment of equity issuance costs	(592,952)	—
Proceeds from issuance of debt	921,415	4,300,000
Payments of debt issuance costs	(5,740)	(85,233)
Repayments of debt	(1,139,720)	—
Net cash provided by financing activities	15,331,314	5,213,746
Effect of changes in exchange rate on cash	—	(99)
Net increase (decrease) in cash, cash equivalents and restricted cash	7,524,250	(949,345)
Cash, cash equivalents and restricted cash at beginning of period	7,595,068	1,778,613
Cash, cash equivalents and restricted cash at end of period	\$ 15,119,318	\$ 829,268
Supplemental disclosure of non-cash transactions:		
Issuance of Warrant Exchange Promissory Notes	\$ 5,625,000	\$ —
Obligation settled with common stock	\$ 331,218	\$ —
Conversion of convertible notes	\$ —	\$ 13,979,788
Deferred transaction costs	\$ —	\$ 1,937,100
Right-of-use asset related to operating leases	\$ —	\$ 470,356
Deferred equity issuance costs	\$ 130,074	\$ 152,157

70. The financial statements provided *supra* were materially false and misleading, as Ocugen has since admitted that the financial statements in the 2Q20 10-Q could not be relied on.

The 3Q20 10-Q

71. On November 6, 2020, Ocugen filed a Quarterly Report on Form 10-Q with the SEC for the third quarter of 2020 (the “3Q20 10-Q”). The 3Q20 10-Q was signed by Defendants Musunuri and Subramanian. Attached to the 3Q20 10-Q were SOX certifications signed by Defendants Musunuri and Subramanian, that attested to the accuracy of financial reporting, the disclosure of any material changes to Ocugen’s internal control over financial reporting, and the disclosure of all fraud.

72. The 3Q20 10-Q contained the following statement regarding the Company’s internal controls:

We have carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, as of September 30, 2020. Based upon that evaluation, our principal executive officer and principal financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures are effective in ensuring that (a) the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and (b) such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

73. The above-referenced statements were materially false and misleading at the time they were made because Ocugen lacked adequate internal controls and had materially misstated its financial results for the quarter.

74. Specifically, the 3Q20 10-Q contained the following false and misleading financial statements:

OCUGEN, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

	September 30, 2020
Assets	
Current assets	
Cash and cash equivalents	\$ 19,105,830
Prepaid expenses and other current assets	652,893
Asset held for sale	—
Total current assets	19,758,723
Property and equipment, net	214,100
Restricted cash	151,196
Other assets	415,555
Total assets	\$ 20,539,574
Liabilities and stockholders' equity	
Current liabilities	
Accounts payable	\$ 222,340
Accrued expenses	2,333,733
Short-term debt, net	1,210,645
Operating lease obligation	164,808
Other current liabilities	199,261
Total current liabilities	4,130,787
Non-current liabilities	
Operating lease obligation, less current portion	42,746
Long term debt, net	1,944,396
Other non-current liabilities	—
Total non-current liabilities	1,987,142
Total liabilities	6,117,929
Commitments and contingencies (Note 11)	
Stockholders' equity	
Convertible preferred stock; \$0.01 par value; 10,000,000 shares authorized; seven issued and outstanding at September 30, 2020 and December 31, 2019	—
Common stock; \$0.01 par value; 200,000,000 authorized; 162,147,973 and 52,746,728 shares issued at September 30, 2020 and December 31, 2019, respectively; 162,026,473 and 52,625,228 shares outstanding at September 30, 2020 and December 31, 2019, respectively	1,621,480
Treasury Stock, at cost, 121,500 shares at September 30, 2020 and December 31, 2019	(47,864)
Additional paid-in capital	82,359,494
Accumulated deficit	(69,511,465)
Total stockholders' equity	14,421,645
Total liabilities and stockholders' equity	\$ 20,539,574

See accompanying notes to condensed consolidated financial statements.

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	2020	2019
Revenues				
Collaboration revenue	\$ —	\$ —	\$ 42,620	\$ —
Total revenues	—	—	42,620	—
Operating expenses				
Research and development	1,477,382	1,305,461	4,759,569	6,338,530
In-process research and development	7,000,000	—	7,000,000	—
General and administrative	1,704,598	1,408,350	5,760,398	3,544,847
Total operating expenses	10,181,980	2,713,811	17,519,967	9,883,377
Loss from operations	(10,181,980)	(2,713,811)	(17,477,347)	(9,883,377)
Other income (expense)				
Change in fair value of derivative liabilities	—	(18,512,204)	—	(19,896,626)
Loss on debt conversion	—	—	—	(341,136)
Interest income	42	136	594	1,107
Interest expense	(291,909)	(796,141)	(554,801)	(1,753,172)
Other income (expense)	—	(751,261)	(87)	(751,493)
Total other income (expense)	(291,867)	(20,059,470)	(554,294)	(22,741,320)
Net loss	\$ (10,473,847)	\$ (22,773,281)	\$ (18,031,641)	\$ (32,624,697)
Deemed dividend related to Warrant Exchange	—	—	(12,546,340)	—
Net loss to common stockholders	\$ (10,473,847)	\$ (22,773,281)	\$ (30,577,981)	\$ (32,624,697)
Shares used in calculating net loss per common share — basic and diluted	141,591,218	6,411,308	92,764,157	5,839,840
Net loss per share of common stock — basic and diluted	\$ (0.07)	\$ (3.55)	\$ (0.33)	\$ (5.59)
Net loss	\$ (10,473,847)	\$ (22,773,281)	\$ (18,031,641)	\$ (32,624,697)
Other comprehensive income (loss)				
Foreign currency translation adjustment	—	—	—	(451)
Comprehensive loss	\$ (10,473,847)	\$ (22,773,281)	\$ (18,031,641)	\$ (32,625,148)

See accompanying notes to condensed consolidated financial statements.

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Nine months ended September 30,	
	2020	2019
Cash flows from operating activities		
Net loss	\$ (18,031,641)	\$ (32,624,697)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	57,565	34,626
Non-cash interest expense	554,801	1,718,546
Non-cash lease expense	142,947	202,665
In-process research and development expense	7,000,000	—
Change in fair value of derivative liability	—	19,896,626
Stock-based compensation expense	498,012	720,014
Loss on debt conversion	—	341,136
Other non-cash	(165,609)	—
Changes in assets and liabilities:		
Prepaid expenses and other assets	794,398	(280,838)
Accounts payable and accrued expenses	(1,133,092)	2,044,901
Lease obligations	(143,834)	(202,338)
Net cash used in operating activities	(10,426,453)	(8,149,359)
Cash flows from investing activities		
Purchase of property and equipment	(55,488)	(2,067)
Payment of reverse asset acquisition costs	—	(2,334,063)
Net cash used in investing activities	(55,488)	(2,336,130)
Cash flows from financing activities		
Financing lease principal payments	(17,892)	(16,985)
Proceeds from issuance of common stock	26,692,377	999,832
Payment of equity issuance costs	(1,083,990)	(649,254)
Proceeds from issuance of debt	921,415	6,800,000
Payments of debt issuance costs	(5,740)	(122,262)
Repayments of debt	(4,362,271)	(5,290,000)
Proceeds from Pre-Merger Financing	—	22,437,537
Net cash provided by financing activities	22,143,899	24,158,868
Effect of changes in exchange rate on cash	—	—
Net increase in cash, cash equivalents and restricted cash	11,661,958	13,673,379
Cash, cash equivalents and restricted cash at beginning of period	7,595,068	1,778,613
Cash, cash equivalents and restricted cash at end of period	\$ 19,257,026	\$ 15,451,992
Supplemental disclosure of non-cash transactions:		
Issuance of Warrant Exchange Promissory Notes	\$ 5,625,000	\$ —
Obligation settled with common stock	\$ 331,218	\$ —
Conversion of convertible notes	\$ —	\$ 13,979,788
Right-of-use asset related to operating leases	\$ —	\$ 470,356
Equity issuance costs	\$ 25,000	\$ 1,150,000
Reverse asset acquisition costs	\$ —	\$ 2,711,431

75. The financial statements provided *supra* were materially false and misleading, as Ocugen has since admitted that the financial statements in the 3Q20 10-Q could not be relied on.

The 2020 10-K

76. On March 19, 2021, Ocugen filed with the SEC its 2020 10-K on Form 10-K for the year ending December 31, 2020 (the “2020 10-K”). The 2020 10-K was signed by Defendants Musunuri, Subramanian, Kumar, Zhang, Kompella, Potti, Castillo, and Fernandes. Attached to the 2020 10-K were SOX certifications, signed by Defendants Musunuri and Subramanian, that attested to the accuracy of financial reporting, the disclosure of any material changes to Ocugen’s internal control over financial reporting, and the disclosure of all fraud.

77. The 2020 10-K contained the following statement regarding the Company’s internal controls:

We have carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) as of December 31, 2020. Based upon that evaluation, our principal executive officer and principal financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures are effective in ensuring that (a) the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and (b) such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

78. The above-referenced statements were materially false and misleading at the time they were made because Ocugen lacked adequate internal controls and had materially misstated its financial results for 2020 fiscal year.

79. Specifically, the 2020 10-K contained the following false and misleading financial statements:

Comparison of the Years Ended December 31, 2020 and 2019

The following table summarizes the results of our operations for the years ended December 31, 2020 and 2019:

(in thousands)	Year ended December 31,		Change
	2020	2019	
Revenues			
Collaboration revenue	\$ 43	\$ —	\$ 43
Total revenues	43	—	43
Operating expenses			
Research and development	\$ 6,353	\$ 8,086	\$ (1,733)
In-process research and development	7,000	—	7,000
General and administrative	7,974	6,077	1,897
Total operating expenses	21,327	14,163	7,164
Loss from operations	(21,284)	(14,163)	(7,121)
Other income (expense)			
Change in fair value of derivative liabilities	—	(3,187)	3,187
Loss on debt conversion	—	(341)	341
Interest income	1	1	—
Interest expense	(721)	(1,768)	1,047
Other income (expense)	183	(785)	968
Total other income (expense)	(537)	(6,080)	5,543
Net loss	<u>\$ (21,821)</u>	<u>\$ (20,243)</u>	<u>\$ (1,578)</u>

OCUGEN, INC.
CONSOLIDATED BALANCE SHEETS

	December 31, 2020
Assets	
Current assets	
Cash and cash equivalents	\$ 24,039,325
Prepaid expenses and other current assets	1,838,357
Asset held for sale	—
Total current assets	25,877,682
Property and equipment, net	632,967
Restricted cash	151,226
Other assets	714,477
Total assets	\$ 27,376,352
Liabilities and stockholders' equity	
Current liabilities	
Accounts payable	\$ 395,034
Accrued expenses	2,930,395
Short-term debt, net	234,119
Operating lease obligation	44,248
Other current liabilities	9,755
Total current liabilities	3,613,551
Non-current liabilities	
Operating lease obligation, less current portion	389,317
Long term debt, net	1,823,043
Other non-current liabilities	—
Total non-current liabilities	2,212,360
Total liabilities	5,825,911
Commitments and contingencies (Note 15)	
Stockholders' equity	
Convertible preferred stock; \$0.01 par value; 10,000,000 shares authorized; seven issued and outstanding shares at December 31, 2020 and 2019	—
Common stock; \$0.01 par value; 200,000,000 authorized; 184,133,384 and 52,746,728 shares issued at December 31, 2020 and 2019, respectively; 184,011,884 and 52,625,228 shares outstanding at December 31, 2020 and 2019, respectively	1,841,334
Treasury Stock, at cost, 121,500 shares at December 31, 2020 and 2019	(47,864)
Additional paid-in capital	93,058,748
Accumulated deficit	(73,301,777)
Total stockholders' equity	21,550,441
Total liabilities and stockholders' equity	\$ 27,376,352

See accompanying notes to consolidated financial statements.

OCUGEN, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

	Year ended December 31,	
	2020	2019
Revenues		
Collaboration revenue	\$ 42,620	\$ —
Total revenues	42,620	—
Operating expenses		
Research and development	6,353,287	8,085,522
In-process research and development	7,000,000	—
General and administrative	7,974,050	6,077,097
Total operating expenses	21,327,337	14,162,619
Loss from operations	(21,284,717)	(14,162,619)
Other income (expense)		
Change in fair value of derivative liabilities	—	(3,187,380)
Loss on debt conversion	—	(341,136)
Interest income	1,065	1,214
Interest expense	(720,963)	(1,767,836)
Other income (expense)	182,662	(784,873)
Total other income (expense)	(537,236)	(6,080,011)
Net loss	\$ (21,821,953)	\$ (20,242,630)
Deemed dividend related to Warrant Exchange	(12,546,340)	—
Net loss to common stockholders	\$ (34,368,293)	\$ (20,242,630)
Shares used in calculating net loss per common share — basic and diluted	112,236,110	13,893,819
Net loss per share of common stock — basic and diluted	\$ (0.31)	\$ (1.46)
Net loss	\$ (21,821,953)	\$ (20,242,630)
Other comprehensive income (loss)		
Foreign currency translation adjustment	—	(451)
Comprehensive loss	\$ (21,821,953)	\$ (20,243,081)

OCUGEN, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended December 31,	
	2020	201
Cash flows from operating activities		
Net loss	\$ (21,821,953)	\$ (20,2
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	102,110	
Non-cash interest expense	720,963	1,7
Non-cash lease expense	189,424	2
In-process research and development expense	7,000,000	
Change in fair value of derivative liability	—	3,1
Stock-based compensation expense	660,317	8
Loss on debt conversion	—	3
Other non-cash	(349,409)	
Changes in assets and liabilities:		
Prepaid expenses and other current assets	(369,846)	(1,0
Accounts payable and accrued expenses	(540,847)	(1,6
Other assets	(104,000)	(2
Lease obligations	(195,489)	(2
Net cash used in operating activities	(14,708,730)	(16,8
Cash flows from investing activities		
Purchase of property and equipment	(306,825)	(
Payment of reverse asset acquisition costs	—	(2,3
Net cash used in investing activities	(306,825)	(2,3
Cash flows from financing activities		
Financing lease principal payments	(23,856)	(
Proceeds from issuance of common stock	37,822,025	1,1
Payment of equity issuance costs	(1,477,806)	
Proceeds from issuance of debt	921,415	6,8
Payments of debt issuance costs	(5,740)	(
Repayments of debt	(5,625,000)	(5,2
Purchases of treasury stock	—	(
Proceeds from Pre-Merger Financing	—	22,5
Net cash provided by financing activities	31,611,038	25,0
Net increase in cash, cash equivalents and restricted cash	16,595,483	5,8
Cash, cash equivalents and restricted cash at beginning of period	7,595,068	1,7
Cash, cash equivalents and restricted cash at end of period	\$ 24,190,551	\$ 7,5
Supplemental disclosure of non-cash transactions:		
Issuance of Warrant Exchange Promissory Notes	\$ 5,625,000	\$
Obligation settled with common stock	\$ 331,218	\$
Purchase of property and equipment	\$ 213,625	\$
Conversion of convertible notes	\$ —	\$ 13,9
Right-of-use assets related to operating leases	\$ 179,599	\$ 4
Equity issuance costs	\$ 4,029	\$ 1,1
Reverse asset acquisition costs	\$ —	\$ 2,2

80. The financial statements provided *supra* were materially false and misleading, as

Ocugen has since admitted that the financial statements in the 2020 10-K could not be relied on.

The 1Q21 10-Q

81. On May 7, 2021, Ocugen filed with a Quarterly Report on Form 10-Q with the SEC for the first quarter of 2021 (the “1Q21 10-Q”). The 1Q21 10-Q was signed by Defendants Musunuri and Subramanian. Attached to the 1Q21 10-Q were SOX certifications, signed by Defendants Musunuri and Subramanian, that attested to the accuracy of financial reporting, the disclosure of any material changes to Ocugen’s internal control over financial reporting, and the disclosure of all fraud.

82. The 1Q21 10-Q contained the following statement regarding the Company’s internal controls:

We have carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of March 31, 2021. Based upon that evaluation, our principal executive officer and principal financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures are effective in ensuring that (a) the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms, and (b) such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

83. The above-referenced statements were materially false and misleading at the time they were made because Ocugen lacked adequate internal controls and had materially misstated its financial results for the quarter.

84. Specifically, the 1Q21 10-Q contained the following false and misleading financial statements:

OCUGEN, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share amounts)
(Unaudited)

	March 31, 2021
Assets	
Current assets	
Cash and cash equivalents	\$ 44,792
Advance for COVAXIN supply	4,988
Prepaid expenses and other current assets	1,576
Total current assets	51,356
Property and equipment, net	762
Restricted cash	151
Other assets	1,578
Total assets	\$ 53,847
Liabilities and stockholders' equity	
Current liabilities	
Accounts payable	\$ 1,040
Accrued expenses and other current liabilities	2,703
Short-term debt, net	374
Operating lease obligation	164
Total current liabilities	4,281
Non-current liabilities	
Operating lease obligation, less current portion	1,375
Long term debt, net	1,702
Total non-current liabilities	3,077
Total liabilities	7,358
Commitments and contingencies (Note 11)	
Stockholders' equity	
Convertible preferred stock; \$0.01 par value; 10,000,000 shares authorized at March 31, 2021 and December 31, 2020	
Series A; seven issued and outstanding at March 31, 2021 and December 31, 2020	—
Series B; 54,745 and zero issued and outstanding at March 31, 2021 and December 31, 2020, respectively	1
Common stock; \$0.01 par value; 200,000,000 authorized; 188,277,852 and 184,133,384 shares issued at March 31, 2021 and December 31, 2020, respectively; 188,156,352 and 184,011,884 shares outstanding at March 31, 2021 and December 31, 2020, respectively	1,883
Treasury stock, at cost, 121,500 shares at March 31, 2021 and December 31, 2020	(48)
Additional paid-in capital	125,032
Accumulated deficit	(80,379)
Total stockholders' equity	46,489
Total liabilities and stockholders' equity	\$ 53,847

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except share and per share amounts)
(Unaudited)

	Three months ended March 31,	
	2021	2020
Operating expenses		
Research and development	\$ 2,872	\$ 1,652
General and administrative	4,185	2,277
Total operating expenses	7,057	3,929
Loss from operations	(7,057)	(3,929)
Other income (expense)		
Interest expense	(20)	(15)
Total other income (expense)	(20)	(15)
Net loss and comprehensive loss	\$ (7,077)	\$ (3,944)
Shares used in calculating net loss per common share — basic and diluted	186,298,122	52,627,228
Net loss per share of common stock — basic and diluted	\$ (0.04)	\$ (0.07)

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(Unaudited)

	Three months ended March 31,	
	2021	2020
Cash flows from operating activities		
Net loss	\$ (7,077)	\$ (3)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	44	
Non-cash interest expense	20	
Non-cash lease expense	68	
Stock-based compensation expense	833	
Changes in assets and liabilities:		
Prepaid expenses and other assets	493	
Accounts payable and accrued expenses	405	(1)
Lease obligations	(69)	
Net cash used in operating activities	(5,283)	(4)
Cash flows from investing activities		
Purchase of property and equipment	(261)	
Net cash used in investing activities	(261)	
Cash flows from financing activities		
Financing lease principal payments	(6)	
Proceeds from issuance of common stock	28,125	
Payment of equity issuance costs	(1,822)	
Proceeds from issuance of debt	—	
Payments of debt issuance costs	—	
Net cash provided by financing activities	26,297	
Net increase (decrease) in cash, cash equivalents, and restricted cash	20,753	(4)
Cash, cash equivalents, and restricted cash at beginning of period	24,190	7
Cash, cash equivalents, and restricted cash at end of period	\$ 44,943	\$ 3
Supplemental disclosure of non-cash transactions:		
Series B Convertible Preferred Stock issuance	\$ 4,988	\$
Equity issuance costs	\$ 108	\$
Purchase of property and equipment	\$ 44	\$
Right-of-use asset related to operating leases	\$ 926	\$

85. The financial statements provided *supra* were materially false and misleading, as Ocugen has since admitted that the financial statements in the 1Q21 10-Q could not be relied on.

The 2Q21 10-Q

86. On August 6, 2021, Ocugen filed a Quarterly Report on Form 10-Q with the SEC for the second quarter of 2021 (the “2Q21 10-Q”). The 2Q21 10-Q was signed by Defendants

Musunuri and Subramanian. Attached to the 2Q21 10-Q were SOX certifications, signed by Defendants Musunuri and Subramanian, attesting to the accuracy of financial reporting, the disclosure of any material changes to the Company's internal control over financial reporting, and the disclosure of all fraud.

87. The 2Q21 10-Q contained the following statement regarding the Company's internal controls:

We have carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a- 15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of June 30, 2021. Based upon that evaluation, our principal executive officer and principal financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures are effective in ensuring that (a) the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and (b) such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

88. The above-referenced statements were materially false and misleading at the time they were made because Ocugen lacked adequate internal controls and had materially misstated its financial results for the quarter.

89. Specifically, the 2Q21 10-Q contained the following false and misleading financial statements:

OCUGEN, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share amounts)
(Unaudited)

	June 30, 2021
Assets	
Current assets	
Cash and cash equivalents	\$ 115,642
Advance for COVAXIN supply	4,988
Prepaid expenses and other current assets	996
Total current assets	121,626
Property and equipment, net	944
Restricted cash	151
Other assets	1,530
Total assets	\$ 124,251
Liabilities and stockholders' equity	
Current liabilities	
Accounts payable	\$ 802
Accrued expenses and other current liabilities	3,870
Short-term debt, net	—
Operating lease obligation	168
Total current liabilities	4,840
Non-current liabilities	
Operating lease obligation, less current portion	1,328
Long term debt, net	1,674
Total non-current liabilities	3,002
Total liabilities	7,842
Commitments and contingencies (Note 13)	
Stockholders' equity	
Convertible preferred stock; \$0.01 par value; 10,000,000 shares authorized at June 30, 2021 and December 31, 2020	
Series A; seven issued and outstanding at June 30, 2021 and December 31, 2020	—
Series B; 54,745 and zero issued and outstanding at June 30, 2021 and December 31, 2020, respectively	1
Common stock; \$0.01 par value; 295,000,000 and 200,000,000 shares authorized, 198,816,745 and 184,133,384 shares issued, and 198,695,245 and 184,011,884 shares outstanding at June 30, 2021 and December 31, 2020, respectively	1,988
Treasury stock, at cost, 121,500 shares at June 30, 2021 and December 31, 2020	(48)
Additional paid-in capital	220,799
Accumulated deficit	(106,331)
Total stockholders' equity	116,409
Total liabilities and stockholders' equity	\$ 124,251

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except share and per share amounts)
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Revenues				
Collaboration revenue	\$ —	\$ 43	\$ —	\$ 43
Total revenues	—	43	—	43
Operating expenses				
Research and development	18,853	1,630	21,725	3,282
General and administrative	6,757	1,779	10,942	4,056
Total operating expenses	25,610	3,409	32,667	7,338
Loss from operations	(25,610)	(3,366)	(32,667)	(7,295)
Other income (expense)				
Interest income	10	—	10	—
Interest expense	(20)	(248)	(40)	(263)
Other income (expense)	(332)	—	(332)	—
Total other income (expense)	(342)	(248)	(362)	(263)
Net loss and comprehensive loss	\$ (25,952)	\$ (3,614)	\$ (33,029)	\$ (7,558)
Deemed dividend related to Warrant Exchange	—	(12,546)	—	(12,546)
Net loss to common stockholders	\$ (25,952)	\$ (16,160)	\$ (33,029)	\$ (20,104)
Shares used in calculating net loss per common share — basic and diluted	195,572,189	83,537,463	190,960,775	68,082,346
Net loss per share of common stock — basic and diluted	\$ (0.13)	\$ (0.19)	\$ (0.17)	\$ (0.30)

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(Unaudited)

	Six months ended June 30,	
	2021	2020
Cash flows from operating activities		
Net loss	\$ (33,029)	\$
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	93	
Non-cash interest expense	40	
Non-cash lease expense	134	
Stock-based compensation expense	2,928	
Gain on forgiveness of PPP Note	(426)	
Impairment on note receivable	758	
Other non-cash	—	
Changes in assets and liabilities:		
Prepaid expenses and other assets	965	
Accounts payable and accrued expenses	1,483	
Other assets	100	
Lease obligations	(130)	
Net cash used in operating activities	(27,084)	
Cash flows from investing activities		
Purchase of property and equipment	(524)	
Issuance of note receivable	(750)	
Net cash used in investing activities	(1,274)	
Cash flows from financing activities		
Proceeds from issuance of common stock	128,496	
Payment of equity issuance costs	(8,525)	
Proceeds from issuance of debt	—	
Payments of debt issuance costs	—	
Repayments of debt	—	
Financing lease principal payments	(10)	
Net cash provided by financing activities	119,961	
Net increase in cash, cash equivalents, and restricted cash	91,603	
Cash, cash equivalents, and restricted cash at beginning of period	24,190	
Cash, cash equivalents, and restricted cash at end of period	\$ 115,793	\$
Supplemental disclosure of non-cash investing and financing transactions:		
Series B Convertible Preferred Stock issuance	\$ 4,988	\$
Exercise of Warrants	\$ 603	\$
Forgiveness of PPP Note	\$ 426	\$
Issuance of Warrant Exchange Promissory Notes	\$ —	\$
Obligation settled with common stock	\$ —	\$
Equity issuance costs	\$ —	\$
Purchase of property and equipment	\$ 78	\$
Right-of-use asset related to operating leases	\$ 926	\$

See accompanying notes to condensed consolidated financial statements.

90. The financial statements provided *supra* were materially false and misleading, as Ocugen has since admitted that the financial statements in the 2Q21 10-Q could not be relied on.

The 3Q21 10-Q

91. On November 9, 2021, Ocugen filed a Quarterly Report on Form 10-Q with the SEC for the third quarter of 2021 (the “3Q21 10-Q”). The 3Q21 10-Q was signed by Defendants Musunuri and Subramanian. Attached to the 3Q21 10-Q were SOX certifications signed by Defendants Musunuri and Subramanian, attesting to the accuracy of financial reporting, the disclosure of any material changes to Ocugen’s internal control over financial reporting, and the disclosure of all fraud.

92. The 3Q21 10-Q contained the following statement regarding the Company’s internal controls:

We have carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a- 15(e) and 15d- 15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of June 30, 2021. Based upon that evaluation, our principal executive officer and principal financial officer concluded that, as of the end of the period covered by this report, *our disclosure controls and procedures are effective in ensuring that (a) the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms*, and (b) such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

93. The above-referenced statements were materially false and misleading at the time they were made because Ocugen lacked adequate internal controls and had materially misstated its financial results for the quarter.

94. Specifically, the 3Q21 10-Q contained the following false and misleading financial statements:

OCUGEN, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share amounts)
(Unaudited)

	June 30, 2021
Assets	
Current assets	
Cash and cash equivalents	\$ 115,642
Advance for COVAXIN supply	4,988
Prepaid expenses and other current assets	996
Total current assets	121,626
Property and equipment, net	944
Restricted cash	151
Other assets	1,530
Total assets	\$ 124,251
Liabilities and stockholders' equity	
Current liabilities	
Accounts payable	\$ 802
Accrued expenses and other current liabilities	3,870
Short-term debt, net	—
Operating lease obligation	168
Total current liabilities	4,840
Non-current liabilities	
Operating lease obligation, less current portion	1,328
Long term debt, net	1,674
Total non-current liabilities	3,002
Total liabilities	7,842
Commitments and contingencies (Note 13)	
Stockholders' equity	
Convertible preferred stock; \$0.01 par value; 10,000,000 shares authorized at June 30, 2021 and December 31, 2020	
Series A; seven issued and outstanding at June 30, 2021 and December 31, 2020	—
Series B; 54,745 and zero issued and outstanding at June 30, 2021 and December 31, 2020, respectively	1
Common stock; \$0.01 par value; 295,000,000 and 200,000,000 shares authorized, 198,816,745 and 184,133,384 shares issued, and 198,695,245 and 184,011,884 shares outstanding at June 30, 2021 and December 31, 2020, respectively	1,988
Treasury stock, at cost, 121,500 shares at June 30, 2021 and December 31, 2020	(48)
Additional paid-in capital	220,799
Accumulated deficit	(106,331)
Total stockholders' equity	116,409
Total liabilities and stockholders' equity	\$ 124,251

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except share and per share amounts)
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Revenues				
Collaboration revenue	\$ —	\$ 43	\$ —	\$ 43
Total revenues	—	43	—	43
Operating expenses				
Research and development	18,853	1,630	21,725	3,282
General and administrative	6,757	1,779	10,942	4,056
Total operating expenses	25,610	3,409	32,667	7,338
Loss from operations	(25,610)	(3,366)	(32,667)	(7,295)
Other income (expense)				
Interest income	10	—	10	—
Interest expense	(20)	(248)	(40)	(263)
Other income (expense)	(332)	—	(332)	—
Total other income (expense)	(342)	(248)	(362)	(263)
Net loss and comprehensive loss	\$ (25,952)	\$ (3,614)	\$ (33,029)	\$ (7,558)
Deemed dividend related to Warrant Exchange	—	(12,546)	—	(12,546)
Net loss to common stockholders	\$ (25,952)	\$ (16,160)	\$ (33,029)	\$ (20,104)
Shares used in calculating net loss per common share — basic and diluted	195,572,189	83,537,463	190,960,775	68,082,346
Net loss per share of common stock — basic and diluted	\$ (0.13)	\$ (0.19)	\$ (0.17)	\$ (0.30)

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(Unaudited)

	Six months ended June 30,	
	2021	2020
Cash flows from operating activities		
Net loss	\$ (33,029)	\$ (7,558)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	93	38
Non-cash interest expense	40	263
Non-cash lease expense	134	95
Stock-based compensation expense	2,928	371
Gain on forgiveness of PPP Note	(426)	—
Impairment on note receivable	758	—
Other non-cash	—	(166)
Changes in assets and liabilities:		
Prepaid expenses and other assets	965	500
Accounts payable and accrued expenses	1,483	(1,220)
Other assets	100	—
Lease obligations	(130)	(96)
Net cash used in operating activities	(27,084)	(7,773)
Cash flows from investing activities		
Purchase of property and equipment	(524)	(34)
Issuance of note receivable	(750)	—
Net cash used in investing activities	(1,274)	(34)
Cash flows from financing activities		
Proceeds from issuance of common stock	128,496	16,161
Payment of equity issuance costs	(8,525)	(593)
Proceeds from issuance of debt	—	921
Payments of debt issuance costs	—	(6)
Repayments of debt	—	(1,140)
Financing lease principal payments	(10)	(12)
Net cash provided by financing activities	119,961	15,331
Net increase in cash, cash equivalents, and restricted cash	91,603	7,524
Cash, cash equivalents, and restricted cash at beginning of period	24,190	7,595
Cash, cash equivalents, and restricted cash at end of period	\$ 115,793	\$ 15,119
Supplemental disclosure of non-cash investing and financing transactions:		
Series B Convertible Preferred Stock issuance	\$ 4,988	\$ —
Exercise of Warrants	\$ 603	\$ —
Forgiveness of PPP Note	\$ 426	\$ —
Issuance of Warrant Exchange Promissory Notes	\$ —	\$ 5,625
Obligation settled with common stock	\$ —	\$ 331
Equity issuance costs	\$ —	\$ 130
Purchase of property and equipment	\$ 78	\$ —
Right-of-use asset related to operating leases	\$ 926	\$ —

95. The financial statements provided *supra* were materially false and misleading, as Ocugen has since admitted that the financial statements in the 3Q21 10-Q could not be relied on.

The 2021 10-K

96. On February 28, 2022, Ocugen filed an Annual Report on Form 10-K with the

SEC for the 2021 fiscal year (the “2021 10-K”). The 2021 10-K was signed by Defendants Musunuri, Subramanian, Kumar, Zhang, Kompella, Potti, Castillo, and Fernandes. Attached to the 2021 10-K were SOX certifications signed by Defendants Musunuri and Subramanian, attesting to the accuracy of financial reporting, the disclosure of any material changes to Ocugen’s internal control over financial reporting, and the disclosure of all fraud.

97. The 2021 10-K contained the following statement regarding the Company’s internal controls:

We have carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of December 31, 2021. Based upon that evaluation, our principal executive officer and principal financial officer concluded that, as of the end of the period covered by this report, *our disclosure controls and procedures are effective in ensuring that (a) the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms, and (b) such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.* In designing and evaluating our disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

98. The above-referenced statements were materially false and misleading at the time they were made because Ocugen lacked adequate internal controls and had materially misstated its financial results for 2021 fiscal year.

99. Specifically, the 2021 10-K contained the following false and misleading financial statements:

OCUGEN, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share amounts)

	As of December 31,	
	2021	2020
Assets		
Current assets		
Cash and cash equivalents	\$ 94,958	\$ 24,039
Advance for COVAXIN supply	4,988	—
Prepaid expenses and other current assets	2,700	1,839
Total current assets	102,646	25,878
Property and equipment, net	1,164	633
Restricted cash	151	151
Other assets	1,800	714
Total assets	\$ 105,761	\$ 27,376
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	\$ 2,312	\$ 395
Accrued expenses and other current liabilities	4,325	2,941
Short-term debt, net	—	234
Operating lease obligations	363	44
Total current liabilities	7,000	3,614
Non-current liabilities		
Operating lease obligations, less current portion	1,231	389
Long term debt, net	1,712	1,823
Total non-current liabilities	2,943	2,212
Total liabilities	9,943	5,826
Commitments and contingencies (Note 14)		
Stockholders' equity		
Convertible preferred stock; \$0.01 par value; 10,000,000 shares authorized at December 31, 2021 and 2020		
Series A; seven issued and outstanding at December 31, 2021 and 2020	—	—
Series B; 54,745 and zero issued and outstanding at December 31, 2021 and 2020, respectively	1	—
Common stock; \$0.01 par value; 295,000,000 and 200,000,000 authorized; 199,502,183 and 184,133,384 shares issued, and 199,380,683 and 184,011,884 shares outstanding at December 31, 2021 and 2020, respectively	1,995	1,841
Treasury Stock, at cost, 121,500 shares at December 31, 2021 and 2020	(48)	(48)
Additional paid-in capital	225,537	93,059
Accumulated deficit	(131,667)	(73,302)
Total stockholders' equity	95,818	21,550
Total liabilities and stockholders' equity	\$ 105,761	\$ 27,376

OCUGEN, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except share and per share amounts)

	Year ended December 31,		
	2021	2020	2019
Revenues			
Collaboration revenue	\$ —	\$ 43	\$ —
Total revenues	—	43	—
Operating expenses			
Research and development	35,108	6,354	8,086
In-process research and development	—	7,000	—
General and administrative	22,920	7,974	6,077
Total operating expenses	58,028	21,328	14,163
Loss from operations	(58,028)	(21,285)	(14,163)
Other income (expense)			
Change in fair value of derivative liabilities	—	—	(3,187)
Loss on debt conversion	—	—	(341)
Interest expense	(79)	(721)	(1,768)
Other income (expense)	(310)	184	(784)
Total other income (expense)	(389)	(537)	(6,080)
Loss before income taxes	(58,417)	(21,822)	(20,243)
Income tax benefit	(52)	—	—
Net loss and comprehensive income	\$ (58,365)	\$ (21,822)	\$ (20,243)
Deemed dividend related to Warrant Exchange	—	(12,546)	—
Net loss to common stockholders	\$ (58,365)	\$ (34,368)	\$ (20,243)
Shares used in calculating net loss per share attributable to common stockholders — basic and diluted	195,013,043	112,236,110	13,893,819
Net loss per share attributable to common stockholders — basic and diluted	\$ (0.30)	\$ (0.31)	\$ (1.46)

OCUGEN, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Year ended December 31	
	2021	2020
Cash flows from operating activities		
Net loss	\$ (58,365)	\$ (21,822)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization expense	229	102
Non-cash interest expense	78	721
Non-cash lease expense	360	189
In-process research and development expense	—	7,000
Change in fair value of derivative liability	—	—
Stock-based compensation expense	6,958	660
Loss on debt conversion	—	—
Income tax benefit	(52)	—
Gain on forgiveness of PPP Note	(426)	—
Impairment on note receivable	761	—
Other non-cash	26	(349)
Changes in assets and liabilities:		
Prepaid expenses and other current assets	(742)	(370)
Accounts payable and accrued expenses	3,498	(541)
Other assets	100	(104)
Lease obligations	(366)	(195)
Net cash used in operating activities	(47,941)	(14,709)
Cash flows from investing activities		
Purchase of property and equipment	(939)	(307)
Payments for asset acquisitions	(127)	—
Issuance of note receivable	(750)	—
Net cash used in investing activities	(1,816)	(307)
Cash flows from financing activities		
Proceeds from issuance of common stock	129,211	37,822
Payment of equity issuance costs	(8,525)	(1,477)
Purchases of treasury stock	—	—
Proceeds from Pre-Merger Financing	—	—
Proceeds from issuance of debt	—	921
Payments of debt issuance costs	—	(6)
Repayments of debt	—	(5,625)
Financing lease principal payments	(10)	(24)
Net cash provided by financing activities	120,676	31,611
Net increase in cash, cash equivalents, and restricted cash	70,919	16,595
Cash, cash equivalents, and restricted cash at beginning of period	24,190	7,595
Cash, cash equivalents, and restricted cash at end of period	\$ 95,109	\$ 24,190

100. The financial statements provided *supra* were materially false and misleading, as Ocugen has since admitted that the financial statements in the 2021 10-K could not be relied on.

The 2022 Proxy Statement

101. On April 28, 2022, Ocugen filed a proxy statement on Schedule 14A with the SEC (the “2022 Proxy Statement”). Defendants Musunuri, Kumar, Zhang, Kompella, Whittington, Castillo, Fernandes, and Potti solicited, reviewed, approved, and caused Ocugen to file the 2022 Proxy Statement.

102. The 2022 Proxy Statement solicited shareholders to, *inter alia*: (i) reelect Defendants Kompella and Whittington to the Board; and (ii) ratify the selection of Ernst & Young as the Company’s Independent Registered Public Accounting Firm for the 2022 fiscal year.

103. The 2022 Proxy Statement provided the following regarding the Company’s Code of Conduct, in pertinent part:

We have a written Code of Conduct that applies to our directors and employees, including our executive officers. The Code of Conduct covers fundamental ethical and compliance-related principles and practices such as accurate accounting records and financial reporting, avoiding conflicts of interest, protection and use of our property, compliance with legal and regulatory requirements, and internal reporting procedures for violations of the Code of Conduct. The Code of Conduct is available on our website at www.ocugen.com and any amendments to the Code of Conduct, or any waivers of its requirements, will be disclosed on our website or in a Current Report on Form 8-K, which we will file with the SEC.

Only the Board may waive any specific provisions of the Code of Conduct for directors and executive officers. The Chief Accounting Officer and Senior Vice President, Finance, has been designated as the Compliance Officer, and may waive any specific provision of this Code of Conduct for employees other than a director and executive officer. In the event of an approved waiver involving the conduct of a director or executive officer, appropriate and prompt disclosure, including disclosure of the reasons for the waiver, must be made to our stockholders as required by applicable laws and stock exchange rules. The Audit Committee shall be responsible for monitoring compliance with the Code of Conduct and shall assess the adequacy of the Code of Conduct periodically and recommend any changes to the Code of Conduct to the Board for approval.

104. The 2022 Proxy Statement provided the following explanation of the Board’s role in “Risk Oversight”, in pertinent part:

Our Board's role in risk oversight is consistent with our leadership structure, with management having day-to-day responsibility for assessing and managing our risk exposure and our Board actively overseeing management of our risks — both at the Board and Committee level. The risk oversight process includes receiving regular reports from each of the Committees and our executive officers to enable our Board to understand our risk identification, risk management, and risk mitigation strategies with respect to areas of potential material risk, including operations (including cyber-security), finance, legal, regulatory, strategic, and reputational risk.

Our Board focuses on the overall risks affecting us. Each Committee has been delegated the responsibility for the oversight of specific risks that fall within its area of responsibility. For example:

- The Audit Committee of our Board ("Audit Committee") oversees management of financial reporting, compliance, and litigation risks, including risks related to our insurance, information technology, cybersecurity, human resources, and regulatory matters, as well as the steps management has taken to monitor and control such exposures.
- The Compensation Committee is responsible for overseeing the management of risks relating to our executive compensation policies, plans, and arrangements and the extent to which those policies, plans, and arrangements increase or decrease our risk.
- The Nominating and Corporate Governance Committee manages risks associated with the independence of our Board, potential conflicts of interest, and the effectiveness of our Board.
- The Science and Technology Committee is responsible for overseeing and assessing business development opportunities to further diversify, strengthen, and unify our product portfolio.

While each Committee is responsible for evaluating certain risks and overseeing the management of such risks, the entire Board is regularly informed through Committee reports about such risks. Matters of significant strategic risk are considered by our entire Board.

105. The 2022 Proxy Statement provided the following regarding the Audit Committee's responsibilities, in pertinent part:

The Audit Committee assists our Board by providing oversight of our financial management, Independent Registered Public Accounting Firm, and accounting and financial reporting processes, as well as other matters as directed by the Board or the Audit Committee Charter.

Among other things, the Audit Committee's responsibilities include:

- having sole discretion and direct responsibility for appointing, evaluating, retaining, compensating, overseeing, evaluating, and, when necessary, terminating our engagement with our Independent Registered Public Accounting Firm;
- discussing with management and the Independent Registered Public Accounting Firm our annual and quarterly financial statements and related disclosures and pre-approving all audit services;
- establishing and overseeing compliance with our procedures governing treatment of complaints concerning our accounting, internal accounting controls, or auditing matters, and submissions of confidential and anonymous employee concerns regarding accounting or auditing matters;
- reviewing our Code of Conduct, including assessing the adequacy of the Code of Conduct and recommending any proposed changes to the Board, and our compliance with applicable legal requirements, as well as any litigation or material government investigations, and making corresponding reports to the Board;
- overseeing our risk assessment and risk management processes and the guidelines and procedures to implement such processes;
- reviewing and ratifying all related person transactions, based on the standards set forth in our Related Party Transactions Policy; and
- preparing the Audit Committee Report required to be included in our annual proxy statement.

The members of our Audit Committee are Dr. Kumar (Chair), Dr. Fernandes, and Mr. Potti. All members of our Audit Committee are deemed “independent” and financially literate under the applicable rules and regulations of the SEC and Nasdaq. Dr. Kumar and Mr. Potti also qualify as an “audit committee financial expert” within the meaning of SEC regulations.

106. Despite the above-referenced statements, the Board failed to adequately carry out its risk oversight obligations and failed to adhere to the Code of Conduct. Specifically, the Individual Defendants: (a) made and/or caused the Company to make the false and misleading statements and omissions alleged herein; and (b) failed to report violations of the Code of Conduct.

107. Defendants Musunuri, Kumar, Zhang, Kompella, Whittington, Castillo, Fernandes, and Potti caused the 2022 Proxy Statement to be false and misleading by failing to disclose, *inter alia*, that: (i) Ocugen's financial statements during the Relevant Period were materially false and misleading; (ii) Ocugen did not have adequate internal controls over financial reporting in place; (iii) as a result, Ocugen would have to restate its financial statements for the 2022 fiscal year, for each of the first three quarters of the 2023 fiscal year, and for each of the quarters of the 2022 fiscal year. As a result, Ocugen's statements were materially false and misleading at all relevant times.

108. On June 7, 2022, the Company's shareholders voted to approve the proposals set forth in the 2022 Proxy Statement.

The 1Q22 10-Q

109. On May 6, 2022, Ocugen filed a Quarterly Report on Form 10-Q with the SEC for the first quarter of 2022 (the "1Q22 10-Q"). The 1Q22 10-Q was signed by Defendants Musunuri and Crespo. Attached to the 1Q22 10-Q were SOX certifications signed by Defendants Musunuri and Crespo attesting to the accuracy of financial reporting, the disclosure of any material changes to the Company's internal control over financial reporting and the disclosure of all fraud.

110. The 1Q22 10-Q contained the following statement regarding the Company's internal controls:

We have carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a- 15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of June 30, 2021. Based upon that evaluation, our principal executive officer and principal financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures are effective in ensuring that (a) the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and

reported within the time periods specified in the SEC's rules and forms, and (b) such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

111. The above-referenced statements were materially false and misleading at the time they were made because Ocugen lacked adequate internal controls and had materially misstated its financial results for the quarter.

112. Specifically, the 1Q22 10-Q contained the following false and misleading financial statements:

OCUGEN, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share amounts)
(Unaudited)

	March 31, 2022	December 31, 2021
Assets		
Current assets		
Cash and cash equivalents	\$ 129,771	\$ 94,958
Prepaid expenses and other current assets	8,256	7,688
Total current assets	138,027	102,646
Property and equipment, net	1,921	1,164
Restricted cash	151	151
Other assets	1,628	1,800
Total assets	\$ 141,727	\$ 105,761
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	\$ 3,896	\$ 2,312
Accrued expenses	3,537	4,325
Operating lease obligations	254	363
Total current liabilities	7,687	7,000
Non-current liabilities		
Operating lease obligations, less current portion	1,180	1,231
Long term debt, net	1,731	1,712
Total non-current liabilities	2,911	2,943
Total liabilities	10,598	9,943
Commitments and contingencies (Note 12)		
Stockholders' equity		
Convertible preferred stock; \$0.01 par value; 10,000,000 shares authorized at March 31, 2022 and December 31, 2021		
Series A; seven issued and outstanding at March 31, 2022 and December 31, 2021	—	—
Series B; 54,745 issued and outstanding at March 31, 2022 and December 31, 2021	1	1
Common stock; \$0.01 par value; 295,000,000 shares authorized, 215,752,926 and 199,502,183 shares issued, and 215,631,426 and 199,380,683 shares outstanding at March 31, 2022 and December 31, 2021, respectively	2,158	1,995
Treasury stock, at cost, 121,500 shares at March 31, 2022 and December 31, 2021	(48)	(48)
Additional paid-in capital	278,704	225,537
Accumulated deficit	(149,686)	(131,667)
Total stockholders' equity	131,129	95,818
Total liabilities and stockholders' equity	\$ 141,727	\$ 105,761

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except share and per share amounts)
(Unaudited)

	Three months ended March 31,	
	2022	2021
Operating expenses		
Research and development	\$ 7,915	\$ 2,872
General and administrative	10,119	4,185
Total operating expenses	18,034	7,057
Loss from operations	(18,034)	(7,057)
Other income (expense), net	15	(20)
Net loss and comprehensive loss	\$ (18,019)	\$ (7,077)
Shares used in calculating net loss per common share — basic and diluted	205,693,498	186,298,122
Net loss per share of common stock — basic and diluted	\$ (0.09)	\$ (0.04)

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(Unaudited)

	Three months ended March 31,	
	2022	2021
Cash flows from operating activities		
Net loss	\$ (18,019)	\$ (7,077)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization expense	76	44
Non-cash interest expense	19	20
Non-cash lease expense	179	68
Stock-based compensation expense	3,299	833
Changes in assets and liabilities:		
Prepaid expenses and other assets	(575)	493
Accounts payable and accrued expenses	131	405
Lease obligations	(176)	(69)
Net cash used in operating activities	(15,066)	(5,283)
Cash flows from investing activities		
Purchase of property and equipment	(223)	(261)
Net cash used in investing activities	(223)	(261)
Cash flows from financing activities		
Proceeds from issuance of common stock	50,177	28,125
Payment of equity issuance costs	(75)	(1,822)
Financing lease principal payments	—	(6)
Net cash provided by financing activities	50,102	26,297
Net increase in cash, cash equivalents, and restricted cash	34,813	20,753
Cash, cash equivalents, and restricted cash at beginning of period	95,109	24,190
Cash, cash equivalents, and restricted cash at end of period	\$ 129,922	\$ 44,943
Supplemental disclosure of non-cash investing and financing transactions:		
Series B Convertible Preferred Stock issuance	\$ —	\$ 4,988
Purchase of property and equipment	\$ 611	\$ 44
Right-of-use asset related to operating leases	\$ —	\$ 926
Equity issuance costs	\$ 71	\$ 108

113. The financial statements provided *supra* were materially false and misleading, as Ocugen has since admitted that the financial statements in the 1Q22 10-Q could not be relied on.

The 2Q22 10-Q

114. On August 5, 2022, Ocugen filed a Quarterly Report on Form 10-Q with the SEC for the second quarter of 2022 (the “2Q22 10-Q”). The 2Q22 10-Q was signed by Defendants Musunuri and Crespo. Attached to the 2Q22 10-Q were SOX certifications signed by Defendants Musunuri and Crespo, attesting to the accuracy of financial reporting, the disclosure of any material changes to Ocugen’s internal control over financial reporting, and the disclosure of all

fraud.

115. The 2Q22 10-Q contained the following statement regarding the Company's internal controls:

We have carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), as of June 30, 2022. Based upon that evaluation, our principal executive officer and principal financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures are effective in ensuring that (a) the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and (b) such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

116. The above-referenced statements were materially false and misleading at the time they were made because Ocugen lacked adequate internal controls and had materially misstated its financial results for the quarter.

117. Specifically, the 2Q22 10-Q contained the following false and misleading financial statements:

OCUGEN, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share amounts)
(Unaudited)

	June 30, 2022	December 31, 2021
Assets		
Current assets		
Cash and cash equivalents	\$ 115,005	\$ 94,958
Prepaid expenses and other current assets	7,564	7,688
Total current assets	122,569	102,646
Property and equipment, net	3,153	1,164
Restricted cash	—	151
Other assets	4,366	1,800
Total assets	\$ 130,088	\$ 105,761
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	\$ 5,921	\$ 2,312
Accrued expenses	4,103	4,325
Operating lease obligations	314	363
Total current liabilities	10,338	7,000
Non-current liabilities		
Operating lease obligations, less current portion	3,892	1,231
Long term debt, net	1,750	1,712
Total non-current liabilities	5,642	2,943
Total liabilities	15,980	9,943
Commitments and contingencies (Note 12)		
Stockholders' equity		
Convertible preferred stock; \$0.01 par value; 10,000,000 shares authorized at June 30, 2022 and December 31, 2021		
Series A; zero and seven shares issued and outstanding at June 30, 2022 and December 31, 2021, respectively	—	—
Series B; 54,745 shares issued and outstanding at June 30, 2022 and December 31, 2021	1	1
Common stock; \$0.01 par value; 295,000,000 shares authorized, 216,271,262 and 199,502,183 shares issued, and 216,149,762 and 199,380,683 shares outstanding at June 30, 2022 and December 31, 2021, respectively	2,163	1,995
Treasury stock, at cost, 121,500 shares at June 30, 2022 and December 31, 2021	(48)	(48)
Additional paid-in capital	281,139	225,537
Accumulated other comprehensive income	10	—
Accumulated deficit	(169,157)	(131,667)
Total stockholders' equity	114,108	95,818
Total liabilities and stockholders' equity	\$ 130,088	\$ 105,761

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except share and per share amounts)
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Operating expenses				
Research and development	\$ 9,007	\$ 18,853	\$ 16,922	\$ 21,725
General and administrative	10,558	6,757	20,677	10,942
Total operating expenses	19,565	25,610	37,599	32,667
Loss from operations	(19,565)	(25,610)	(37,599)	(32,667)
Other income (expense), net	94	(342)	109	(362)
Net loss	\$ (19,471)	\$ (25,952)	\$ (37,490)	\$ (33,029)
Other comprehensive income (loss)				
Foreign currency translation adjustment	10	—	10	—
Comprehensive loss	\$ (19,461)	\$ (25,952)	\$ (37,480)	\$ (33,029)
Shares used in calculating net loss per common share — basic and diluted	215,862,977	195,572,189	210,806,330	190,960,775
Net loss per share of common stock — basic and diluted	\$ (0.09)	\$ (0.13)	\$ (0.18)	\$ (0.17)

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(Unaudited)

	Six months ended June 30,	
	2022	2021
Cash flows from operating activities		
Net loss	\$ (37,490)	\$ (33,029)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization expense	166	93
Non-cash interest expense	38	40
Non-cash lease expense	334	134
Stock-based compensation expense	5,378	2,928
Gain on forgiveness of Paycheck Protection Program note	—	(426)
Impairment on note receivable	—	758
Changes in assets and liabilities:		
Prepaid expenses and other assets	132	965
Accounts payable and accrued expenses	2,844	1,483
Lease obligations	(265)	(130)
Other assets	—	100
Net cash used in operating activities	(28,863)	(27,084)
Cash flows from investing activities		
Purchase of property and equipment	(1,589)	(524)
Issuance of note receivable	—	(750)
Net cash used in investing activities	(1,589)	(1,274)
Cash flows from financing activities		
Proceeds from issuance of common stock	50,586	128,496
Tax payments for net share settlement of restricted stock units	(48)	—
Payment of equity issuance costs	(200)	(8,525)
Financing lease principal payments	—	(10)
Net cash provided by financing activities	50,338	119,961
Effect of changes in exchange rate on cash, cash equivalents, and restricted cash	10	—
Net increase in cash, cash equivalents, and restricted cash	19,896	91,603
Cash, cash equivalents, and restricted cash at beginning of period	95,109	24,190
Cash, cash equivalents, and restricted cash at end of period	\$ 115,005	\$ 115,793
Supplemental disclosure of non-cash investing and financing transactions:		
Series B Convertible Preferred Stock issuance	\$ —	\$ 4,988
Exercise of warrants	\$ —	\$ 603
Forgiveness of Paycheck Protection Program note	\$ —	\$ 426
Equity issuance costs	\$ 69	\$ —
Purchase of property and equipment	\$ 491	\$ 78
Right-of-use asset related to operating leases	\$ 2,918	\$ 926

118. The financial statements provided *supra* were materially false and misleading, as Ocugen has since admitted that the financial statements in the 2Q22 10-Q could not be relied on.

The 3Q22 10-Q

119. On November 8, 2022, Ocugen filed a Quarterly Report on Form 10-Q with the SEC for the third quarter of 2022 (the “3Q22 10-Q”). The 3Q22 10-Q was signed by Defendants

Musunuri and Crespo. Attached to the 3Q22 10-Q were SOX certifications signed by Defendants Musunuri and Crespo, attesting to the accuracy of financial reporting, the disclosure of any material changes to Ocugen's internal control over financial reporting, and the disclosure of all fraud.

120. The 3Q22 10-Q contained the following statement regarding the Company's internal controls:

We have carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), as of September 30, 2022. Based upon this evaluation, our principal executive officer and principal financial officer concluded that, as of the end of the period covered by this report, *our disclosure controls and procedures are effective in ensuring that (a) the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and (b) such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.* In designing and evaluating our disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

121. The above-referenced statements were materially false and misleading at the time they were made because Ocugen lacked adequate internal controls and had materially misstated its financial results for the quarter.

122. Specifically, the 3Q22 10-Q contained the following false and misleading financial statements:

OCUGEN, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share amounts)
(Unaudited)

	September 30, 2022	December 31, 2021
Assets		
Current assets		
Cash and cash equivalents	\$ 101,602	\$ 94,958
Prepaid expenses and other current assets	5,895	7,688
Total current assets	107,497	102,646
Property and equipment, net	4,517	1,164
Restricted cash	—	151
Other assets	4,225	1,800
Total assets	\$ 116,239	\$ 105,761
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	\$ 6,460	\$ 2,312
Accrued expenses	8,004	4,325
Operating lease obligations	443	363
Total current liabilities	14,907	7,000
Non-current liabilities		
Operating lease obligations, less current portion	3,764	1,231
Long term debt, net	2,265	1,712
Total non-current liabilities	6,029	2,943
Total liabilities	20,936	9,943
Commitments and contingencies (Note 12)		
Stockholders' equity		
Convertible preferred stock; \$0.01 par value; 10,000,000 shares authorized at September 30, 2022 and December 31, 2021		
Series A; zero and seven shares issued and outstanding at September 30, 2022 and December 31, 2021, respectively	—	—
Series B; 54,745 shares issued and outstanding at September 30, 2022 and December 31, 2021	1	1
Common stock; \$0.01 par value; 295,000,000 shares authorized, 216,809,937 and 199,502,183 shares issued, and 216,688,437 and 199,380,683 shares outstanding at September 30, 2022 and December 31, 2021, respectively	2,168	1,995
Treasury stock, at cost, 121,500 shares at September 30, 2022 and December 31, 2021	(48)	(48)
Additional paid-in capital	284,231	225,537
Accumulated other comprehensive income	30	—
Accumulated deficit	(191,079)	(131,667)
Total stockholders' equity	95,303	95,818
Total liabilities and stockholders' equity	\$ 116,239	\$ 105,761

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except share and per share amounts)
(Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2022	2021	2022	2021
Operating expenses				
Research and development	\$ 15,622	\$ 6,281	\$ 32,544	\$ 28,006
General and administrative	7,497	4,508	28,174	15,450
Total operating expenses	23,119	10,789	60,718	43,456
Loss from operations	(23,119)	(10,789)	(60,718)	(43,456)
Other income (expense), net	1,197	(18)	1,306	(380)
Loss before income taxes	(21,922)	(10,807)	(59,412)	(43,836)
Income tax benefit	—	(52)	—	(52)
Net loss	\$ (21,922)	\$ (10,755)	\$ (59,412)	\$ (43,784)
Other comprehensive income (loss)				
Foreign currency translation adjustment	20	—	30	—
Comprehensive loss	\$ (21,902)	\$ (10,755)	\$ (59,382)	\$ (43,784)
Shares used in calculating net loss per common share — basic and diluted	216,591,011	198,790,980	212,755,746	193,599,525
Net loss per share of common stock — basic and diluted	\$ (0.10)	\$ (0.05)	\$ (0.28)	\$ (0.23)

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(Unaudited)

	Nine months ended September 30,	
	2022	2021
Cash flows from operating activities		
Net loss	\$ (59,412)	\$ (43,784)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization expense	307	151
Non-cash interest expense	58	59
Non-cash lease expense	463	200
Stock-based compensation expense	7,873	4,275
Income tax benefit	—	(52)
Gain on forgiveness of Paycheck Protection Program note	—	(426)
Impairment on note receivable	—	761
Other	(673)	—
Changes in assets and liabilities:		
Prepaid expenses and other assets	1,888	845
Accounts payable and accrued expenses	6,592	2,925
Lease obligations	(261)	(191)
Other assets	—	100
Net cash used in operating activities	(43,165)	(35,137)
Cash flows from investing activities		
Purchases of property and equipment	(2,433)	(747)
Asset acquisition	—	(127)
Issuance of note receivable	—	(750)
Repayment of note receivable	761	—
Net cash used in investing activities	(1,672)	(1,624)
Cash flows from financing activities		
Proceeds from issuance of common stock	51,198	128,606
Tax payments for net share settlement of restricted stock units	(57)	—
Payment of equity issuance costs	(298)	(8,525)
Proceeds from issuance of debt	500	—
Payment of debt issuance costs	(43)	—
Financing lease principal payments	—	(10)
Net cash provided by financing activities	51,300	120,071
Effect of changes in exchange rate on cash, cash equivalents, and restricted cash	30	—
Net increase in cash, cash equivalents, and restricted cash	6,493	83,310
Cash, cash equivalents, and restricted cash at beginning of period	95,109	24,190
Cash, cash equivalents, and restricted cash at end of period	\$ 101,602	\$ 107,500

123. The financial statements provided *supra* were materially false and misleading, as Ocugen has since admitted that the financial statements in the 3Q22 10-Q could not be relied on.

The 2022 10-K

124. On February 28, 2023, Ocugen filed an Annual Report on Form 10-K for the 2022 fiscal year (the “2022 10-K”). The 2022 10-K was signed by Defendants Musunuri, Crespo,

Kumar, Zhang, Kompella, Castillo, Fernandes, and Whittington. Attached to the 2022 10-K were SOX certifications signed by Defendants Musunuri and Crespo, attesting to the accuracy of financial reporting, the disclosure of any material changes to Ocugen's internal control over financial reporting, and the disclosure of all fraud.

125. The 2022 10-K contained the following statement regarding the Company's internal controls:

We have carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of December 31, 2022. Based upon that evaluation, our principal executive officer and principal financial officer concluded that, as of the end of the period covered by this Annual Report on Form 10-K, our disclosure controls and procedures are effective in ensuring that (a) the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and (b) such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

126. The above-referenced statements were materially false and misleading at the time they were made because Ocugen lacked adequate internal controls and had materially misstated its financial results for 2022 fiscal year.

127. Specifically, the 2022 10-K contained the following false and misleading financial statements:

OCUGEN, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share amounts)

	As of December 31,	
	2022	2021
Assets		
Current assets		
Cash and cash equivalents	\$ 77,563	\$ 94,958
Marketable securities	13,371	—
Prepaid expenses and other current assets	7,558	7,688
Total current assets	98,492	102,646
Property and equipment, net	6,053	1,164
Restricted cash	—	151
Other assets	4,087	1,800
Total assets	\$ 108,632	\$ 105,761
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	\$ 8,062	\$ 2,312
Accrued expenses and other current liabilities	9,900	4,325
Operating lease obligations	498	363
Total current liabilities	18,460	7,000
Non-current liabilities		
Operating lease obligations, less current portion	3,587	1,231
Long term debt, net	2,289	1,712
Other non-current liabilities	244	—
Total non-current liabilities	6,120	2,943
Total liabilities	24,580	9,943
Commitments and contingencies (Note 15)		
Stockholders' equity		
Convertible preferred stock; \$0.01 par value; 10,000,000 shares authorized at December 31, 2022 and 2021		
Series A; zero and seven issued and outstanding at December 31, 2022 and 2021, respectively	—	—
Series B; 54,745 issued and outstanding at December 31, 2022 and 2021	1	1
Common stock; \$0.01 par value; 295,000,000 shares authorized; 221,721,182 and 199,502,183 shares issued, and 221,599,682 and 199,380,683 shares outstanding at December 31, 2022 and 2021, respectively	2,217	1,995
Treasury stock, at cost, 121,500 shares at December 31, 2022 and 2021	(48)	(48)
Additional paid-in capital	294,874	225,537
Accumulated other comprehensive income	26	—
Accumulated deficit	(213,018)	(131,667)
Total stockholders' equity	84,052	95,818
Total liabilities and stockholders' equity	\$ 108,632	\$ 105,761

OCUGEN, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except share and per share amounts)

	Year ended December 31,	
	2022	2021
Operating expenses		
Research and development	\$ 49,757	\$ 35,108
General and administrative	35,111	22,920
Total operating expenses	84,868	58,028
Loss from operations	(84,868)	(58,028)
Other income (expense), net	3,517	(389)
Loss before income taxes	(81,351)	(58,417)
Income tax benefit	—	(52)
Net loss	\$ (81,351)	\$ (58,365)
Other comprehensive income (loss)		
Foreign currency translation adjustment	25	—
Unrealized gain (loss) on marketable securities	1	—
Comprehensive loss	\$ (81,325)	\$ (58,365)
Shares used in calculating net loss per common share — basic and diluted	214,600,051	195,013,043
Net loss per common share — basic and diluted	\$ (0.38)	\$ (0.30)

OCUGEN, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Year ended December 31,	
	2022	2021
Cash flows from operating activities		
Net loss	\$ (81,351)	\$ (58,365)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization expense	480	229
Amortization (accretion) on marketable securities	(99)	—
Non-cash interest expense	83	78
Non-cash lease expense	593	360
Stock-based compensation expense	10,541	6,958
Income tax benefit	—	(52)
Gain on forgiveness of Paycheck Protection Program note	—	(426)
Impairment on note receivable	—	761
Other	479	26
Changes in assets and liabilities:		
Prepaid expenses and other current assets	91	(742)
Accounts payable and accrued expenses	9,487	3,498
Lease obligations	(383)	(366)
Other assets	—	100
Net cash used in operating activities	(60,079)	(47,941)
Cash flows from investing activities		
Purchases of marketable securities	(13,271)	—
Purchases of property and equipment	(4,457)	(939)
Asset acquisition	—	(127)
Issuance of note receivable	—	(750)
Repayment of note receivable	761	—
Net cash used in investing activities	(16,967)	(1,816)
Cash flows from financing activities		
Proceeds from issuance of common stock, net	59,567	129,211
Payment of equity issuance costs	(549)	(8,525)
Proceeds from issuance of debt	500	—
Payments of debt issuance costs	(43)	—
Financing lease principal payments	—	(10)
Net cash provided by financing activities	59,475	120,676
Effect of changes in exchange rate on cash, cash equivalents, and restricted cash	25	—
Net (decrease) increase in cash, cash equivalents, and restricted cash	(17,546)	70,919
Cash, cash equivalents, and restricted cash at beginning of period	95,109	24,190
Cash, cash equivalents, and restricted cash at end of period	\$ 77,563	\$ 95,109

128. The financial statements provided *supra* were materially false and misleading, as Ocugen has since admitted that the financial statements in the 2022 10-K could not be relied on.

The 2023 Proxy Statement

129. On April 20, 2023, Ocugen filed the 2023 Proxy Statement. Defendants Musunuri, Kumar, Zhang, Kompella, Whittington, Castillo, Fernandes, and Potti solicited, reviewed,

approved, and caused Ocugen to file the 2023 Proxy Statement.

130. The 2023 Proxy Statement solicited shareholders to, *inter alia*: (i) reelect Defendants Castillo and Fernandes to the Board; and (ii) ratify the selection of Ernst & Young as the Company's Independent Registered Public Accounting Firm for the 2023 fiscal year.

131. The 2023 Proxy Statement provided the following regarding the Company's Code of Conduct, in pertinent part:

We have a written Code of Conduct that applies to our directors and employees, including our executive officers. The Code of Conduct covers fundamental ethical and compliance-related principles and practices such as accurate accounting records and financial reporting, avoiding conflicts of interest, protection and use of our property, compliance with legal and regulatory requirements, and internal reporting procedures for violations of the Code of Conduct. The Code of Conduct is available on our website at www.ocugen.com and any amendments to the Code of Conduct, or any waivers of its requirements, will be disclosed on our website or in a Current Report on Form 8-K, which we will file with the SEC.

Only the Board may waive any specific provisions of the Code of Conduct for directors and executive officers. The Chief Accounting Officer and Senior Vice President, Finance, has been designated as the Compliance Officer, and may waive any specific provision of this Code of Conduct for employees other than a director and executive officer. In the event of an approved waiver involving the conduct of a director or executive officer, appropriate and prompt disclosure, including disclosure of the reasons for the waiver, must be made to our stockholders as required by applicable laws and stock exchange rules. The Audit Committee shall be responsible for monitoring compliance with the Code of Conduct and shall assess the adequacy of the Code of Conduct periodically and recommend any changes to the Code of Conduct to the Board for approval.

132. The 2023 Proxy Statement provided the following regarding the Board's role in "Risk Oversight," in pertinent part:

Our Board's role in risk oversight is consistent with our leadership structure, with management having day-to-day responsibility for assessing and managing our risk exposure and our Board actively overseeing management of our risks — both at the Board and Committee level. The risk oversight process includes receiving regular reports from each of the Committees and our executive officers to enable our Board to understand our risk identification, risk management, and risk mitigation strategies with respect to areas of potential material risk, including operations (including cyber-security), finance, legal, regulatory, strategic, and reputational

risk.

Our Board focuses on the overall risks affecting us. Each Committee has been delegated the responsibility for the oversight of specific risks that fall within its area of responsibility. For example:

- The Audit Committee of our Board ("Audit Committee") oversees management of financial reporting, compliance, and litigation risks, including risks related to our insurance, information technology, cybersecurity, human resources, and regulatory matters, as well as the steps management has taken to monitor and control such exposures.
- The Compensation Committee is responsible for overseeing the management of risks relating to our executive compensation policies, plans, and arrangements and the extent to which those policies, plans, and arrangements increase or decrease our risk.
- The Nominating and Corporate Governance Committee manages risks associated with the independence of our Board, potential conflicts of interest, and the effectiveness of our Board.
- The Science and Technology Committee is responsible for overseeing and assessing business development opportunities to further diversify, strengthen, and unify our product portfolio.

While each Committee is responsible for evaluating certain risks and overseeing the management of such risks, the entire Board is regularly informed through Committee reports about such risks. Matters of significant strategic risk are considered by our entire Board.

133. The 2023 Proxy Statement provided the following regarding the Audit Committee's responsibilities, in pertinent part:

The Audit Committee assists our Board by providing oversight of our financial management, Independent Registered Public Accounting Firm, and accounting and financial reporting processes, as well as other matters as directed by the Board or the Audit Committee Charter.

Among other things, the Audit Committee's responsibilities include:

- Having sole discretion and direct responsibility for appointing, evaluating, retaining, compensating, overseeing, evaluating, and, when necessary, terminating our engagement with our Independent Registered Public Accounting Firm;

- Discussing with management and the Independent Registered Public Accounting Firm our annual and quarterly financial statements and related disclosures and pre- approving all audit services;
- Establishing and overseeing compliance with our procedures governing treatment of complaints concerning our accounting, internal accounting controls, or auditing matters, and submissions of confidential and anonymous employee concerns regarding accounting or auditing matters;
- Reviewing our Code of Conduct, including assessing the adequacy of the Code of Conduct and recommending any proposed changes to the Board, and our compliance with applicable legal requirements, as well as any litigation or material government investigations, and making corresponding reports to the Board;
- Overseeing our risk assessment and risk management processes and the guidelines and procedures to implement such processes;
- Reviewing and ratifying all related person transactions, based on the standards set forth in our Related Party Transactions Policy; and
- Preparing the Audit Committee Report required to be included in our annual proxy statement.

The members of our Audit Committee are Dr. Kumar (Chair), Dr. Fernandes, and Dr. Whittington. Dr. Whittington became a member of the Audit Committee in June 2022. Manish Potti, former director who did not stand for re-election at our 2022 Annual Meeting of Shareholders, served as a member of our Audit Committee until June 2022. All members of our Audit Committee are deemed “independent” and financially literate under the applicable rules and regulations of the SEC and Nasdaq. Dr. Kumar and Dr. Whittington also qualify as an “audit committee financial expert” within the meaning of SEC regulations.

134. Despite the above-referenced statements, the Board failed to adequately carry out its risk oversight obligations and failed to adhere to the Code of Conduct. Specifically, the Individual Defendants: (a) made and/or caused the Company to make the false and misleading statements and omissions alleged herein; and (b) failed to report violations of the Code of Conduct.

135. Defendants Musunuri, Kumar, Zhang, Kompella, Whittington, Castillo, and Fernandes caused the 2023 Proxy Statement to be false and misleading by failing to disclose, *inter*

alia, that: (i) the Company's financial statements during the Relevant Period were materially false and misleading; (ii) the Company did not have adequate internal controls over financial reporting; (iii) as a result, the Company would have to restate its financial statements for the 2022 fiscal year, for each of the first three quarters of the 2023 fiscal year, and for each of the quarters of the 2022 fiscal year. As a result, Ocugen's statements were materially false and misleading at all relevant times.

136. On June 9, 2023, Ocugen's shareholders voted to approval the proposals set forth in the 2023 Proxy Statement.

The 1Q23 10-Q

137. On May 5, 2023, Ocugen filed with the SEC its quarterly report on Form 10-Q for the first quarter of 2023 (the "1Q23 10-Q"). The 1Q23 10-Q was signed by Defendants Musunuri and Vu. Attached to the 1Q23 10-Q were certifications pursuant to SOX, signed by Defendants Musunuri and Vu, attesting to the accuracy of financial reporting, the disclosure of any material changes to Ocugen's internal control over financial reporting, and the disclosure of all fraud.

138. The 1Q23 10-Q contained the following statement regarding the Company's internal controls:

We have carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), as of March 31, 2023. Based upon this evaluation, our principal executive officer and principal financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures are effective in ensuring that (a) the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and (b) such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosures. In designing and evaluating our disclosure controls and procedures, our

management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

139. The above-referenced statements were materially false and misleading at the time they were made because Ocugen lacked adequate internal controls and had materially misstated its financial results for the quarter.

140. Specifically, the 1Q23 10-Q contained the following false and misleading financial statements:

OCUGEN, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share amounts)
(Unaudited)

	March 31, 2023	December 31, 2022
Assets		
Current assets		
Cash and cash equivalents	\$ 68,259	\$ 77,563
Marketable securities	8,462	13,371
Prepaid expenses and other current assets	7,680	7,558
Total current assets	84,401	98,492
Property and equipment, net	7,952	6,053
Other assets	3,946	4,087
Total assets	\$ 96,299	\$ 108,632
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	\$ 8,092	\$ 8,062
Accrued expenses and other current liabilities	5,823	9,900
Operating lease obligations	512	498
Current portion of long term debt	1,256	—
Total current liabilities	15,683	18,460
Non-current liabilities		
Operating lease obligations, less current portion	3,449	3,587
Long term debt, net	1,058	2,289
Other non-current liabilities	309	244
Total non-current liabilities	4,816	6,120
Total liabilities	20,499	24,580
Commitments and contingencies (Note 13)		
Stockholders' equity		
Convertible preferred stock; \$0.01 par value; 10,000,000 shares authorized at March 31, 2023 and December 31, 2022		
Series A; zero shares issued and outstanding at March 31, 2023 and December 31, 2022	—	—
Series B; 54,745 shares issued and outstanding at March 31, 2023 and December 31, 2022	1	1
Common stock; \$0.01 par value; 295,000,000 shares authorized, 226,548,693 and 221,721,182 shares issued, and 226,427,193 and 221,599,682 shares outstanding at March 31, 2023 and December 31, 2022, respectively	2,265	2,217
Treasury stock, at cost, 121,500 shares at March 31, 2023 and December 31, 2022	(48)	(48)
Additional paid-in capital	303,073	294,874
Accumulated other comprehensive income	25	26
Accumulated deficit	(229,516)	(213,018)
Total stockholders' equity	75,800	84,052
Total liabilities and stockholders' equity	\$ 96,299	\$ 108,632

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except share and per share amounts)
(Unaudited)

	Three months ended March 31,	
	2023	2022
Operating expenses		
Research and development	\$ 9,558	\$ 7,915
General and administrative	8,193	10,119
Total operating expenses	17,751	18,034
Loss from operations	(17,751)	(18,034)
Other income (expense), net	1,253	15
Net loss	\$ (16,498)	\$ (18,019)
Other comprehensive income (loss)		
Foreign currency translation adjustment	(1)	—
Comprehensive loss	\$ (16,499)	\$ (18,019)
Shares used in calculating net loss per common share — basic and diluted	225,523,627	205,693,498
Net loss per share of common stock — basic and diluted	\$ (0.07)	\$ (0.09)

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(Unaudited)

	Three months ended March 31,	
	2023	2022
Cash flows from operating activities		
Net loss	\$ (16,498)	\$ (18,019)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization expense	174	76
Amortization (accretion) on marketable securities	(143)	—
Non-cash interest expense	24	19
Non-cash lease expense	131	179
Stock-based compensation expense	2,689	3,299
Other	352	—
Changes in assets and liabilities:		
Prepaid expenses and other current assets	(60)	(575)
Accounts payable and accrued expenses	(4,784)	131
Lease obligations	(125)	(176)
Net cash used in operating activities	(18,240)	(15,066)
Cash flows from investing activities		
Purchases of marketable securities	(3,947)	—
Proceeds from the maturities of marketable securities	9,000	—
Purchases of property and equipment	(1,612)	(223)
Net cash provided by (used in) investing activities	3,441	(223)
Cash flows from financing activities		
Proceeds from issuance of common stock, net	5,731	50,177
Payment of equity issuance costs	(173)	(75)
Payment of debt issuance costs	(62)	—
Net cash provided by financing activities	5,496	50,102
Effect of changes in exchange rate on cash, cash equivalents, and restricted cash	(1)	—
Net (decrease) increase in cash, cash equivalents, and restricted cash	(9,304)	34,813
Cash, cash equivalents, and restricted cash at beginning of period	77,563	95,109
Cash, cash equivalents, and restricted cash at end of period	\$ 68,259	\$ 129,922
Supplemental disclosure of non-cash investing and financing transactions:		
Purchases of property and equipment	\$ 1,119	\$ 611
Equity issuance costs	\$ —	\$ 71

141. The financial statements provided *supra* were materially false and misleading, as Ocugen has since admitted that the financial statements in the 1Q23 10-Q could not be relied on. Specifically, as revealed in the April 2024 8-K and subsequent filings, Company’s “Accrued expenses and other current liabilities” and “Total liabilities” had been understated by approximately \$10,000, the Company’s “Net loss” had been understated by approximately \$68,000, and the “Total operating expenses” had been understated by approximately \$73,000.

The 2Q23 10-Q

142. On August 21, 2023, Ocugen filed a Quarterly Report on Form 10-Q with the SEC for the second quarter of 2023 (the “2Q23 10-Q”). The 2Q23 10-Q was signed by Defendant Musunuri. Attached to the 2Q23 10-Q were SOX certifications signed by Defendant Musunuri in the capacity of CEO as well as interim principal financial officer, attesting to the accuracy of financial reporting, the disclosure of any material changes to Ocugen’s internal control over financial reporting, and the disclosure of all fraud.

143. The 2Q23 10-Q contained the following statement regarding the Company’s internal controls:

We have carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), as of March 31, 2023. Based upon this evaluation, our principal executive officer and principal financial officer concluded that, as of the end of the period covered by this report, *our disclosure controls and procedures are effective in ensuring that (a) the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms, and (b) such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosures.* In designing and evaluating our disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

144. The above-referenced statements were materially false and misleading at the time they were made because Ocugen lacked adequate internal controls and had materially misstated its financial results for the quarter.

145. Specifically, the 2Q23 10-Q contained the following false and misleading financial statements:

OCUGEN, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share amounts)
(Unaudited)

	June 30, 2023	December 31, 2022
Assets		
Current assets		
Cash and cash equivalents	\$ 70,578	\$ 77,563
Marketable securities	—	13,371
Prepaid expenses and other current assets	2,874	7,558
Total current assets	73,452	98,492
Property and equipment, net	11,720	6,053
Other assets	3,804	4,087
Total assets	\$ 88,976	\$ 108,632
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	\$ 3,881	\$ 8,062
Accrued expenses and other current liabilities	7,787	9,900
Operating lease obligations	526	498
Current portion of long term debt	1,266	—
Total current liabilities	13,460	18,460
Non-current liabilities		
Operating lease obligations, less current portion	3,308	3,587
Long term debt, net	1,472	2,289
Other non-current liabilities	455	244
Total non-current liabilities	5,235	6,120
Total liabilities	18,695	24,580
Commitments and contingencies (Note 13)		
Stockholders' equity		
Convertible preferred stock; \$0.01 par value; 10,000,000 shares authorized at June 30, 2023 and December 31, 2022		
Series A; zero shares issued and outstanding at June 30, 2023 and December 31, 2022	—	—
Series B; 54,745 shares issued and outstanding at June 30, 2023 and December 31, 2022	1	1
Common stock; \$0.01 par value; 295,000,000 shares authorized, 256,608,552 and 221,721,182 shares issued, and 256,487,052 and 221,599,682 shares outstanding at June 30, 2023 and December 31, 2022, respectively	2,566	2,217
Treasury stock, at cost, 121,500 shares at June 30, 2023 and December 31, 2022	(48)	(48)
Additional paid-in capital	320,181	294,874
Accumulated other comprehensive income	22	26
Accumulated deficit	(252,441)	(213,018)
Total stockholders' equity	70,281	84,052
Total liabilities and stockholders' equity	\$ 88,976	\$ 108,632

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except share and per share amounts)
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Operating expenses				
Research and development	\$ 14,169	\$ 9,007	\$ 23,727	\$ 16,922
General and administrative	9,564	10,558	17,757	20,677
Total operating expenses	23,733	19,565	41,484	37,599
Loss from operations	(23,733)	(19,565)	(41,484)	(37,599)
Other income (expense), net	808	94	2,061	109
Net loss	<u>\$ (22,925)</u>	<u>\$ (19,471)</u>	<u>\$ (39,423)</u>	<u>\$ (37,490)</u>
Other comprehensive income (loss)				
Foreign currency translation adjustment	(2)	10	(3)	10
Unrealized gain (loss) on marketable securities	(1)	—	(1)	—
Comprehensive loss	<u>\$ (22,928)</u>	<u>\$ (19,461)</u>	<u>\$ (39,427)</u>	<u>\$ (37,480)</u>
Shares used in calculating net loss per common share — basic and diluted	238,311,498	215,862,977	231,952,888	210,806,330
Net loss per share of common stock — basic and diluted	<u>\$ (0.10)</u>	<u>\$ (0.09)</u>	<u>\$ (0.17)</u>	<u>\$ (0.18)</u>

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(Unaudited)

	Six months ended June 30,	
	2023	2022
Cash flows from operating activities		
Net loss	\$ (39,423)	\$ (37,490)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization expense	348	166
Amortization (accretion) on marketable securities	(182)	—
Non-cash interest expense	54	38
Non-cash lease expense	265	334
Stock-based compensation expense	5,321	5,378
Impairment of advance for COVAXIN supply	4,074	—
Loss on disposal of fixed assets related to COVAXIN	363	—
Other	439	—
Changes in assets and liabilities:		
Prepaid expenses and other current assets	572	132
Accounts payable and accrued expenses	(8,625)	2,844
Lease obligations	(252)	(265)
Net cash used in operating activities	(37,046)	(28,863)
Cash flows from investing activities		
Purchases of marketable securities	(3,947)	—
Proceeds from the maturities of marketable securities	17,500	—
Purchases of property and equipment	(4,389)	(1,589)
Net cash provided by (used in) investing activities	9,164	(1,589)
Cash flows from financing activities		
Proceeds from issuance of common stock, net	20,690	50,538
Payment of equity issuance costs	(222)	(200)
Proceeds from issuance of debt	500	—
Payment of debt issuance costs	(68)	—
Net cash provided by financing activities	20,900	50,338
Effect of changes in exchange rate on cash and cash equivalents	(3)	10
Net (decrease) increase in cash and cash equivalents	(6,985)	19,896
Cash, cash equivalents, and restricted cash at beginning of period	77,563	95,109
Cash and cash equivalents at end of period	\$ 70,578	\$ 115,005
Supplemental disclosure of non-cash investing and financing transactions:		
Equity issuance costs	\$ 133	\$ 69
Purchases of property and equipment	\$ 2,637	\$ 491
Right-of-use asset related to operating leases	\$ —	\$ 2,918

146. The financial statements provided *supra* were materially false and misleading, as Ocugen has since admitted that the financial statements in the 2Q23 10-Q could not be relied on.

The 3Q23 10-Q

147. On November 9, 2023, Ocugen filed a Quarterly Report on Form 10-Q with the SEC for the third quarter of 2023 (the “3Q23 10-Q”). The 3Q23 10-Q was signed by Defendants

Musunuri and Breininger. Attached to the 3Q23 10-Q were SOX certifications signed by Defendants Musunuri and Breininger, attesting to the accuracy of financial reporting, the disclosure of any material changes to Ocugen's internal control over financial reporting, and the disclosure of all fraud.

148. The 3Q23 10-Q contained the following statement regarding the Company's internal controls:

We have carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), as of September 30, 2023. Based upon this evaluation, our principal executive officer and principal financial officer concluded that, as of the end of the period covered by this report, *our disclosure controls and procedures are effective in ensuring that (a) the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and (b) such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosures.* In designing and evaluating our disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

149. The above-referenced statements were materially false and misleading at the time they were made because Ocugen lacked adequate internal controls and had materially misstated its financial results for the quarter.

150. Specifically, the 3Q23 10-Q contained the following false and misleading financial statements:

OCUGEN, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share amounts)
(Unaudited)

	September 30, 2023	December 31, 2022
Assets		
Current assets		
Cash and cash equivalents	\$ 53,477	\$ 77,563
Marketable securities	—	13,371
Prepaid expenses and other current assets	3,081	7,558
Total current assets	56,558	98,492
Property and equipment, net	14,469	6,053
Other assets	3,660	4,087
Total assets	\$ 74,687	\$ 108,632
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	\$ 2,921	\$ 8,062
Accrued expenses and other current liabilities	6,399	9,900
Operating lease obligations	540	498
Current portion of long term debt	1,276	—
Total current liabilities	11,136	18,460
Non-current liabilities		
Operating lease obligations, less current portion	3,164	3,587
Long term debt, net	1,495	2,289
Other non-current liabilities	497	244
Total non-current liabilities	5,156	6,120
Total liabilities	16,292	24,580
Commitments and contingencies (Note 13)		
Stockholders' equity		
Convertible preferred stock; \$0.01 par value; 10,000,000 shares authorized at September 30, 2023 and December 31, 2022		
Series A; zero shares issued and outstanding at September 30, 2023 and December 31, 2022	—	—
Series B; 54,745 shares issued and outstanding at September 30, 2023 and December 31, 2022	1	1
Common stock; \$0.01 par value; 295,000,000 shares authorized, 256,621,487 and 221,721,182 shares issued, and 256,499,987 and 221,599,682 shares outstanding at September 30, 2023 and December 31, 2022, respectively	2,566	2,217
Treasury stock, at cost, 121,500 shares at September 30, 2023 and December 31, 2022	(48)	(48)
Additional paid-in capital	322,452	294,874
Accumulated other comprehensive income	27	26
Accumulated deficit	(266,603)	(213,018)
Total stockholders' equity	58,395	84,052
Total liabilities and stockholders' equity	\$ 74,687	\$ 108,632

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except share and per share amounts)
(Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Operating expenses				
Research and development	\$ 6,342	\$ 15,622	\$ 30,069	\$ 32,544
General and administrative	9,082	7,497	26,839	28,174
Total operating expenses	15,424	23,119	56,908	60,718
Loss from operations	(15,424)	(23,119)	(56,908)	(60,718)
Other income (expense), net	1,262	1,197	3,323	1,306
Net loss	<u>\$ (14,162)</u>	<u>\$ (21,922)</u>	<u>\$ (53,585)</u>	<u>\$ (59,412)</u>
Other comprehensive income (loss)				
Foreign currency translation adjustment	5	20	2	30
Unrealized gain (loss) on marketable securities	—	—	(1)	—
Comprehensive loss	<u>\$ (14,157)</u>	<u>\$ (21,902)</u>	<u>\$ (53,584)</u>	<u>\$ (59,382)</u>
Shares used in calculating net loss per common share — basic and diluted	256,492,558	216,591,011	240,222,667	212,755,746
Net loss per share of common stock — basic and diluted	<u>\$ (0.06)</u>	<u>\$ (0.10)</u>	<u>\$ (0.22)</u>	<u>\$ (0.28)</u>

OCUGEN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(Unaudited)

	Nine months ended September 30,	
	2023	2022
Cash flows from operating activities		
Net loss	\$ (53,585)	\$ (59,412)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization expense	525	307
Amortization (accretion) on marketable securities	(182)	—
Non-cash interest expense	87	58
Non-cash lease expense	401	463
Stock-based compensation expense	7,495	7,873
Impairment of advance for COVAXIN supply	4,074	—
Loss on disposal of fixed assets related to COVAXIN	363	—
Other	379	(673)
Changes in assets and liabilities:		
Prepaid expenses and other current assets	132	1,888
Accounts payable and accrued expenses	(10,059)	6,592
Lease obligations	(382)	(261)
Net cash used in operating activities	(50,752)	(43,165)
Cash flows from investing activities		
Purchases of marketable securities	(3,947)	—
Proceeds from the maturities of marketable securities	17,500	—
Purchases of property and equipment	(7,754)	(2,433)
Repayment of note receivable	—	761
Net cash provided by (used in) investing activities	5,799	(1,672)
Cash flows from financing activities		
Proceeds from issuance of common stock, net	20,788	51,141
Payment of equity issuance costs	(355)	(298)
Proceeds from issuance of debt	500	500
Payment of debt issuance costs	(68)	(43)
Net cash provided by financing activities	20,865	51,300
Effect of changes in exchange rate on cash and cash equivalents	2	30
Net (decrease) increase in cash and cash equivalents	(24,086)	6,493
Cash, cash equivalents, and restricted cash at beginning of period	77,563	95,109
Cash and cash equivalents at end of period	\$ 53,477	\$ 101,602
Supplemental disclosure of non-cash investing and financing transactions:		
Equity issuance costs	\$ —	\$ 2
Purchases of property and equipment	\$ 1,969	\$ 1,231
Right-of-use asset related to operating leases	\$ —	\$ 2,916
Debt issuance costs	\$ —	\$ 19

151. The financial statements provided *supra* were materially false and misleading, as Ocugen has since admitted that the financial statements in the 3Q23 10-Q could not be relied on.

152. Ocugen's financial disclosures from May 8, 2020 through April 1, 2024 were materially false and/or misleading because they misrepresented and failed to disclose the following adverse facts pertaining to the Company's business, operations, and prospects, which were known

to Defendants or recklessly disregarded by them. Specifically, the Individual Defendants made false and/or misleading statements and/or failed to disclose that: (i) Ocugen's financial statements during the Relevant Period were materially misstated; (ii) Ocugen did not have adequate internal controls; and (iii) as a result, Defendants' statements about its business, operations, and prospects, were materially false and misleading and/or lacked a reasonable basis at all times.

THE TRUTH EMERGES

153. On April 1, 2024, after the market closed, Ocugen filed the April 2024 8-K with the SEC. The April 2024 8-K read:

In connection with the preparation of the financial statements of Ocugen, Inc. (the "Company") for the year ended December 31, 2023, the Company, in consultation with its independent registered public accounting firm, Ernst & Young LLP ("EY"), identified certain accounting errors related to the application of U.S. GAAP to certain agreements with one of its business partners related to a collaboration agreement.

On April 1, 2024, the Audit Committee of the Board of Directors (the "Audit Committee"), based on the recommendation of management and after consultation with EY, ***concluded that the Company's previously-issued audited consolidated financial statements for each fiscal year beginning January 1, 2020 and its previously-issued unaudited interim condensed consolidated financial statements for each of the first three quarters in such years, as well as the associated earnings releases and investor presentations or other communications describing such financial statements, were materially misstated and, accordingly, should no longer be relied upon.***

The Company intends to restate its consolidated financial statements as of and for the year ended December 31, 2022, in connection with the filing of its 2023 Form 10-K. Similarly, the Company will include restated unaudited financial information for each of the first three quarters of 2023 and 2022 in its 2023 Form 10-K (each such annual and quarterly period to be restated, a "Restated Period"). The identified errors in each of the Restated Periods relate to the Company's accounting for the estimated costs in one of its collaboration arrangements. ***These identified errors will result in a restatement of the following financial statement line item captions: Collaborative arrangement revenue, Research and development expenses, Other income (expense), net and Accrued expenses and other current liabilities.***

The Company is currently not in a position to provide a reasonable estimate of the

anticipated changes in its results of operations for the year ended December 31, 2023, for any Restated Period. However, the Company does not expect the errors to result in any impact on its cash position, cash runway, or financial projections.

Additionally, the Company has determined that the errors resulted from the existence of a material weakness in its internal control over financial reporting that also existed during the Restated Periods and that its internal control over financial reporting was not effective as of December 31, 2023. As a result, the Company's Chief Executive Officer and Chief Accounting Officer have concluded that the Company's disclosure controls and procedures were not effective as of December 31, 2023.

On April 1, 2024, the Company filed a notification of inability to timely file Form 10-K on Form 12b-25 due to additional time required for the Company to correct the errors described above and prepare restated financial statements. At this time, the Company expects to file the 2023 Form 10-K no later than April 16, 2024. However, there can be no assurance that the Company will be able to prepare restated financial statements and file the 2023 Form 10-K on the timeline anticipated, or that no additional errors will be identified.

154. As mentioned in the April 2024 8-K, after market hours on April 1, 2024, Ocugen filed with the SEC a Notification of Late Filing on Form 12b-25. It stated, in pertinent part:

In connection with the preparation of the financial statements of the Company for the year ended December 31, 2023, the Company identified certain accounting errors relating to the application of U.S. GAAP to certain agreements with one of its business partners related to a collaboration agreement. As a result, the Company intends to restate its financial statements for the year ended December 31, 2022 and for each of the first three quarters of 2022 and 2023 in the 2023 Form 10-K, the review and preparation of which is currently ongoing. Given the scope of the process to prepare the restatements and related disclosures, the Company requires additional time to prepare and review its financial statements and other disclosures in its 2023 Form 10-K. Therefore, the Company is unable to complete and file the 2023 Form 10-K by the required due date of April 1, 2024.

155. On this news, Ocugen's stock fell \$0.16 per share, or 10.38%, to close at \$1.38 per share on April 2, 2024.

156. On April 2, 2024, InvestorPlace, a financial research firm, published an article titled "OCGN Stock Falls Ocugen Must Restate Its Financials" stating that "In the absence of clarity, investors are clearly in selling mode on this news. Ocugen has noted that these updates shouldn't impact the company's cash position or its runway moving forward. *These are some of the most*

important metrics for an early-stage biotech company like this. Nonetheless, investors are taking the “better safe than sorry” route today, and I don’t blame them.”

157. Then, on April 16, 2024, Ocugen filed an Annual Report on Form 10-K with the SEC for the 2023 fiscal year (the “2023 10-K”). The 2023 10-K stated the following, in relevant part:

In connection with the preparation of the Company’s Consolidated Financial Statements as of and for the fiscal year ended December 31, 2023, the Company discovered that in the current fiscal year and prior years it had not appropriately accounted for its collaboration arrangements, including the determination of the transaction price, calculating the progress towards the satisfaction of the performance obligations under the collaborative arrangements, and determining the value of the non-cash consideration received and recognized as research and development expense. The Company also corrected the presentation of the revenue previously recognized within Other income (expense), net to Collaborative arrangement revenue in its Consolidated Statements of Operations and Comprehensive Loss.

The misstatements were material to the Company’s previously issued financial statements and as a result, the Company has restated its Consolidated Balance Sheets, Consolidated Statements of Operations and Comprehensive Loss, Consolidated Statements of Stockholders’ Equity, and Consolidated Statements of Cash Flows as of and for the fiscal year ended December 31, 2022. The restatement includes adjustments to Collaborative arrangement revenue, Research and development expenses, Other income (expense), net and Accrued expenses and other current liabilities during the impacted periods. The Company has also corrected certain other identified immaterial errors that were identified during the impacted periods impacting Research and development expenses, General and administrative expenses, and Accrued expenses and other current liabilities.

158. The 2023 10-K contained the following financial statements, demonstrating the effect of the correction of the misstatements had for the 2022 fiscal year:

Corrected Consolidated Balance Sheets	As of December 31, 2022		
	As previously reported	Adjustment	As Restated
Accrued expenses and other liabilities	\$ 9,900	\$ 10,071	\$ 19,971
Total current liabilities	18,460	10,071	28,531
Total liabilities	24,580	10,071	34,651
Accumulated deficit	(213,018)	(10,071)	(223,089)
Total stockholders' equity	84,052	(10,071)	73,981

Corrected Consolidated Statements of Operations and Comprehensive Loss	For the Fiscal Year Ended December 31, 2022		
	As previously reported	Adjustment	As Restated
Collaborative arrangement revenue	\$ —	2,488	\$ 2,488
Total revenue	—	2,488	2,488
Research and Development	49,757	6,402	56,159
General and administrative	35,111	289	35,400
Total operating expenses	84,868	6,691	91,559
Loss from operations	(84,868)	(4,203)	(89,071)
Other income (expense), net	3,517	(1,250)	2,267
Net loss	(81,351)	(5,453)	(86,804)
Comprehensive loss	(81,325)	(5,453)	(86,778)
Net loss per share of common stock - basic and diluted	\$ (0.38)	(0.02)	\$ (0.40)

Corrected Consolidated Statements of Cash Flows	For the Fiscal Year Ended December 31, 2022		
	As previously reported	Adjustment	As Restated
Net loss	\$ (81,351)	(5,453)	\$ (86,804)
Non-cash (income) expense from collaborative arrangements, net	—	6,603	6,603
Other	479	(1,150)	(671)
Net cash used in operating activities	(60,079)	—	(60,079)

Corrected Consolidated Statements of Stockholders' Equity	Accumulated Deficit			Total Stockholder Equity		
	As previously reported	Adjustment	As Restated	As previously reported	Adjustment	As Restated
Balance at December 31, 2021	\$ (131,667)	\$ (4,618)	\$ (136,285)	\$ 95,818	\$ (4,618)	\$ 91,200
Stock-based compensation expense	—	—	—	10,541	—	10,541
Issuance of common stock for stock option exercises and restricted stock unit vesting, net	—	—	—	1,262	—	1,262
Issuance of common stock for capital raises, net	—	—	—	57,756	—	57,756
Series A convertible preferred stock conversion	—	—	—	—	—	—
Other comprehensive income (loss)	—	—	—	26	—	26
Net Loss	(81,351)	(5,453)	(86,804)	(81,351)	(5,453)	(86,804)
Balance at December 31, 2022	\$ (213,018)	\$ (10,071)	\$ (223,089)	\$ 84,052	\$ (10,071)	\$ 73,981

159. The 2023 10-K also contained quarterly restatements for the quarterly and year to date periods ended March 31, 2022, June 30, 2022, September 30, 2022, March 31, 2023, June 30, 2023, and September 30, 2023:

Corrected Condensed Consolidated Balance Sheets (Unaudited)	As of March 31, 2023			As of March 31, 2022		
	As previously reported	Adjustment	As Restated	As previously reported	Adjustment	As Restated
Assets						
Current assets						
Cash and cash equivalents	\$ 68,259	—	\$ 68,259	\$ 129,771	—	\$ 129,771
Marketable securities	8,462	—	8,462	—	—	—
Prepaid expenses and other current assets	7,680	—	7,680	8,256	—	8,256
Total current assets	84,401	—	84,401	138,027	—	138,027
Property and equipment, net	7,952	—	7,952	1,921	—	1,921
Restricted cash	—	—	—	151	—	151
Other assets	3,946	—	3,946	1,628	—	1,628
Total assets	\$ 96,299	—	\$ 96,299	\$ 141,727	—	\$ 141,727
Liabilities and stockholders' equity						
Current liabilities						
Accounts payable	\$ 8,092	—	\$ 8,092	\$ 3,896	—	\$ 3,896
Accrued expenses and other current liabilities	5,823	10,899	16,722	3,537	5,614	9,151
Operating lease obligations	512	—	512	254	—	254
Current portion of long term debt	1,256	—	1,256	—	—	—
Total current liabilities	15,683	10,899	26,582	7,687	5,614	13,301
Non-current liabilities						
Operating lease obligations, less current portion	3,449	—	3,449	1,180	—	1,180
Long term debt, net	1,058	—	1,058	1,731	—	1,731
Other non-current liabilities	309	—	309	—	—	—
Total non-current liabilities	4,816	—	4,816	2,911	—	2,911
Total liabilities	20,499	10,899	31,398	10,598	5,614	16,212
Commitments and contingencies						
Stockholders' equity						
Convertible preferred stock						
Series A	—	—	—	—	—	—
Series B	1	—	1	1	—	1
Common stock	2,265	—	2,265	2,158	—	2,158
Treasury stock	(48)	—	(48)	(48)	—	(48)
Additional paid-in capital	303,073	—	303,073	278,704	—	278,704
Accumulated other comprehensive income	25	—	25	—	—	—
Accumulated deficit	(229,516)	(10,899)	(240,415)	(149,686)	(5,614)	(155,300)
Total stockholders' equity	75,800	(10,899)	64,901	131,129	(5,614)	125,515
Total liabilities and stockholders' equity	\$ 96,299	—	\$ 96,299	\$ 141,727	—	\$ 141,727

Corrected Condensed Consolidated Balance Sheets (Unaudited)	As of June 30, 2023			As of June 30, 2022		
	As previously reported	Adjustment	As Restated	As previously reported	Adjustment	As Restated
Assets						
Current assets						
Cash and cash equivalents	\$ 70,578	—	\$ 70,578	\$ 115,005	—	\$ 115,005
Marketable securities	—	—	—	—	—	—
Prepaid expenses and other current assets	2,874	—	2,874	7,564	—	7,564
Total current assets	73,452	—	73,452	122,569	—	122,569
Property and equipment, net	11,720	—	11,720	3,153	—	3,153
Other assets	3,804	—	3,804	4,366	—	4,366
Total assets	\$ 88,976	—	\$ 88,976	\$ 130,088	—	\$ 130,088
Liabilities and stockholders' equity						
Current liabilities						
Accounts payable	\$ 3,881	—	\$ 3,881	\$ 5,921	—	\$ 5,921
Accrued expenses and other current liabilities	7,787	11,039	18,826	4,103	7,625	11,728
Operating lease obligations	526	—	526	314	—	314
Current portion of long term debt	1,266	—	1,266	—	—	—
Total current liabilities	13,460	11,039	24,499	10,338	7,625	17,963
Non-current liabilities						
Operating lease obligations, less current portion	3,308	—	3,308	3,892	—	3,892
Long term debt, net	1,472	—	1,472	1,750	—	1,750
Other non-current liabilities	455	—	455	—	—	—
Total non-current liabilities	5,235	—	5,235	5,642	—	5,642
Total liabilities	18,695	11,039	29,734	15,980	7,625	23,605
Commitments and contingencies						
Stockholders' equity						
Convertible preferred stock						
Series A	—	—	—	—	—	—
Series B	1	—	1	1	—	1
Common stock	2,566	—	2,566	2,163	—	2,163
Treasury stock	(48)	—	(48)	(48)	—	(48)
Additional paid-in capital	320,181	—	320,181	281,139	—	281,139
Accumulated other comprehensive income	22	—	22	10	—	10
Accumulated deficit	(252,441)	(11,039)	(263,480)	(169,157)	(7,625)	(176,782)
Total stockholders' equity	70,281	(11,039)	59,242	114,108	(7,625)	106,483
Total liabilities and stockholders' equity	\$ 88,976	—	\$ 88,976	\$ 130,088	—	\$ 130,088

Corrected Condensed Consolidated Balance Sheets (Unaudited)	As of September 30, 2023			As of September 30, 2022		
	As previously reported	Adjustment	As Restated	As previously reported	Adjustment	As Restated
Assets						
Current assets						
Cash and cash equivalents	\$ 53,477	—	\$ 53,477	\$ 101,602	—	\$ 101,602
Marketable securities	—	—	—	—	—	—
Prepaid expenses and other current assets	3,081	—	3,081	5,895	—	5,895
Total current assets	56,558	—	56,558	107,497	—	107,497
Property and equipment, net	14,469	—	14,469	4,517	—	4,517
Other assets	3,660	—	3,660	4,225	—	4,225
Total assets	\$ 74,687	—	\$ 74,687	\$ 116,239	—	\$ 116,239
Liabilities and stockholders' equity						
Current liabilities						
Accounts payable	\$ 2,921	—	\$ 2,921	\$ 6,460	—	\$ 6,460
Accrued expenses and other current liabilities	6,399	8,594	14,993	8,004	9,616	17,620
Operating lease obligations	540	—	540	443	—	443
Current portion of long term debt	1,276	—	1,276	—	—	—
Total current liabilities	11,136	8,594	19,730	14,907	9,616	24,523
Non-current liabilities						
Operating lease obligations, less current portion	3,164	—	3,164	3,764	—	3,764
Long term debt, net	1,495	—	1,495	2,265	—	2,265
Other non-current liabilities	497	—	497	—	—	—
Total non-current liabilities	5,156	—	5,156	6,029	—	6,029
Total liabilities	16,292	8,594	24,886	20,936	9,616	30,552
Commitments and contingencies						
Stockholders' equity						
Convertible preferred stock						
Series A	—	—	—	—	—	—
Series B	1	—	1	1	—	1
Common stock	2,566	—	2,566	2,168	—	2,168
Treasury stock	(48)	—	(48)	(48)	—	(48)
Additional paid-in capital	322,452	—	322,452	284,231	—	284,231
Accumulated other comprehensive income	27	—	27	30	—	30
Accumulated deficit	(266,603)	(8,594)	(275,197)	(191,079)	(9,616)	(200,695)
Total stockholders' equity	58,395	(8,594)	49,801	95,303	(9,616)	85,687
Total liabilities and stockholders' equity	\$ 74,687	—	\$ 74,687	\$ 116,239	—	\$ 116,239

Corrected Condensed Consolidated Statements of Operations and Comprehensive Loss (Unaudited)	For the Three Months Ended					
	March 31, 2023			March 31, 2022		
	As previously reported	Adjustment	As Restated	As previously reported	Adjustment	As Restated
Collaborative arrangement revenue	\$ —	443	\$ 443	\$ —	500	\$ 500
Total revenue	—	443	443	—	500	500
Operating expenses						
Research and development	9,558	614	10,172	7,915	1,478	9,393
General and administrative	8,193	113	8,306	10,119	18	10,137
Total operating expenses	17,751	727	18,478	18,034	1,496	19,530
Loss from operations	(17,751)	(284)	(18,035)	(18,034)	(996)	(19,030)
Other income (expense), net	1,253	(544)	709	15	—	15
Net loss	\$ (16,498)	(828)	\$ (17,326)	\$ (18,019)	(996)	\$ (19,015)
Other comprehensive income (loss)						
Foreign currency translation adjustment	(1)	—	(1)	—	—	—
Comprehensive loss	\$ (16,499)	(828)	\$ (17,327)	\$ (18,019)	(996)	\$ (19,015)
Shares used in calculating net loss per common share — basic and diluted						
	225,523,627	—	225,523,627	205,693,498	—	205,693,498
Net loss per share of common stock — basic and diluted	\$ (0.07)	(0.01)	\$ (0.08)	\$ (0.09)	—	\$ (0.09)

Corrected Condensed Consolidated Statements of Operations and Comprehensive Loss (Unaudited)	For the Three Months Ended					
	June 30, 2023			June 30, 2022		
	As previously reported	Adjustment	As Restated	As previously reported	Adjustment	As Restated
Collaborative arrangement revenue	\$ —		485 \$ 485	\$ —		643 \$ 643
Total revenue	—		485 485	—		643 643
Operating expenses						
Research and development	14,169		405 14,574	9,007		2,595 11,602
General and administrative	9,564	(113)	9,451	10,558	59	10,617
Total operating expenses	23,733	292	24,025	19,565	2,654	22,219
Loss from operations	(23,733)	193	(23,540)	(19,565)	(2,011)	(21,576)
Other income (expense), net	808	(333)	475	94	—	94
Net loss	\$ (22,925)	(140)	\$ (23,065)	\$ (19,471)	(2,011)	\$ (21,482)
Other comprehensive income (loss)						
Foreign currency translation adjustment	(2)	—	(2)	10	—	10
Unrealized gain (loss) on marketable securities	(1)	—	(1)	—	—	—
Comprehensive loss	\$ (22,928)	(140)	\$ (23,068)	\$ (19,461)	(2,011)	\$ (21,472)
Shares used in calculating net loss per common share — basic and diluted	238,311,498	—	238,311,498	215,862,977	—	215,862,977
Net loss per share of common stock — basic and diluted	\$ (0.10)	—	\$ (0.10)	\$ (0.09)	(0.01)	\$ (0.10)

Corrected Condensed Consolidated Statements of Operations and Comprehensive Loss (Unaudited)	For the Six Months Ended					
	June 30, 2023			June 30, 2022		
	As previously reported	Adjustment	As Restated	As previously reported	Adjustment	As Restated
Collaborative arrangement revenue	\$ —		928 \$ 928	\$ —		1,143 \$ 1,143
Total revenue	—		928 928	—		1,143 1,143
Operating expenses						
Research and development	23,727	1,019	24,746	16,922	4,073	20,995
General and administrative	17,757	—	17,757	20,677	77	20,754
Total operating expenses	41,484	1,019	42,503	37,599	4,150	41,749
Loss from operations	(41,484)	(91)	(41,575)	(37,599)	(3,007)	(40,606)
Other income (expense), net	2,061	(877)	1,184	109	—	109
Net loss	\$ (39,423)	(968)	\$ (40,391)	\$ (37,490)	(3,007)	\$ (40,497)
Other comprehensive income (loss)						
Foreign currency translation adjustment	(3)	—	(3)	10	—	10
Unrealized gain (loss) on marketable securities	(1)	—	(1)	—	—	—
Comprehensive loss	\$ (39,427)	(968)	\$ (40,395)	\$ (37,480)	(3,007)	\$ (40,487)
Shares used in calculating net loss per common share — basic and diluted	231,952,888	—	231,952,888	210,806,330	—	210,806,330
Net loss per share of common stock — basic and diluted	\$ (0.17)	—	\$ (0.17)	\$ (0.18)	(0.01)	\$ (0.19)

Corrected Condensed Consolidated Statements of Operations and Comprehensive Loss (Unaudited)	For the Three Months Ended					
	September 30, 2023			September 30, 2022		
	As previously reported	Adjustment	As Restated	As previously reported	Adjustment	As Restated
Collaborative arrangement revenue	\$ —	3,699	\$ 3,699	\$ —	466	\$ 466
Total revenue	—	3,699	3,699	—	466	466
Operating expenses						
Research and development	6,342	706	7,048	15,622	2,315	17,937
General and administrative	9,082	—	9,082	7,497	142	7,639
Total operating expenses	15,424	706	16,130	23,119	2,457	25,576
Loss from operations	(15,424)	2,993	(12,431)	(23,119)	(1,991)	(25,110)
Other income (expense), net	1,262	(548)	714	1,197	—	1,197
Net loss	\$ (14,162)	2,445	\$ (11,717)	\$ (21,922)	(1,991)	\$ (23,913)
Other comprehensive income (loss)						
Foreign currency translation adjustment	5	—	5	20	—	20
Unrealized gain (loss) on marketable securities	—	—	—	—	—	—
Comprehensive loss	\$ (14,157)	2,445	\$ (11,712)	\$ (21,902)	(1,991)	\$ (23,893)
Shares used in calculating net loss per common share — basic and diluted	256,492,558	—	256,492,558	216,591,011	—	216,591,011
Net loss per share of common stock — basic and diluted	\$ (0.06)	0.01	\$ (0.05)	\$ (0.10)	(0.01)	\$ (0.11)

Corrected Condensed Consolidated Statements of Operations and Comprehensive Loss (Unaudited)	For the Nine Months Ended					
	September 30, 2023			September 30, 2022		
	As previously reported	Adjustment	As Restated	As previously reported	Adjustment	As Restated
Collaborative arrangement revenue	\$ —	4,627	\$ 4,627	\$ —	1,609	\$ 1,609
Total revenue	—	4,627	4,627	—	1,609	1,609
Operating expenses						
Research and development	30,069	1,725	31,794	32,544	6,388	38,932
General and administrative	26,839	—	26,839	28,174	219	28,393
Total operating expenses	56,908	1,725	58,633	60,718	6,607	67,325
Loss from operations	(56,908)	2,902	(54,006)	(60,718)	(4,998)	(65,716)
Other income (expense), net	3,323	(1,425)	1,898	1,306	—	1,306
Net loss	\$ (53,585)	1,477	\$ (52,108)	\$ (59,412)	(4,998)	\$ (64,410)
Other comprehensive income (loss)						
Foreign currency translation adjustment	2	—	2	30	—	30
Unrealized gain (loss) on marketable securities	(1)	—	(1)	—	—	—
Comprehensive loss	\$ (53,584)	1,477	\$ (52,107)	\$ (59,382)	(4,998)	\$ (64,380)
Shares used in calculating net loss per common share — basic and diluted	240,222,667	—	240,222,667	212,755,746	—	212,755,746
Net loss per share of common stock — basic and diluted	\$ (0.22)	—	\$ (0.22)	\$ (0.28)	(0.02)	\$ (0.30)

160. On this news, Ocugen's share price declined 9.43% from a closing price of \$1.59 per share on April 16, 2024, to a closing price of \$1.44 per share on April 17, 2024.

161. On June 6, 2024, Ocugen filed a Form 8-K with the SEC disclosing that on May 31, 2024, Ernst & Young, Ocugen's current independent registered public accounting firm, notified Ocugen of its decision to decline to participate in the request-for-proposal process

soliciting proposals from accounting firms to provide audit services to Ocugen as its independent registered public accounting firm for the fiscal year ending December 31, 2024, and declined to stand for re-election as Ocugen's independent registered public accounting firm for fiscal year 2024.

162. On this news, the Company's share price declined 4.42% from a closing price of \$1.81 per share on June 5, 2024 to a closing price of \$1.73 per share on June 6, 2024. The Company's share price continued to decline by an additional 7.5% to a closing price of \$1.60 per share on June 7, 2024.

**THE INDIVIDUAL DEFENDANTS SOLD STOCK WHILE OCUGEN'S STOCK
PRICE WAS ARTIFICIALLY INFLATED**

163. As a result of the above false and misleading statements, the Company's share price was artificially inflated. Certain of the Individual Defendants, while in possession of material, non-public information, capitalized on the artificially inflated stock price by selling significant portions of their holdings of Ocugen common stock. According to the Company's public filings with the SEC, Defendants Musunuri, Castillo, Fernandes, Kompella, Kumar, Potti, and Zhang collectively sold more than 3.2 million shares of their personally-held stock for collective gross proceeds in excess of \$28 million, and in doing so avoided more than \$24 million in losses.

164. Defendant Musunuri sold a total of 1,664,366 shares while the price of the Company's stock was artificially inflated, earning approximately \$10,186,318 in proceeds, substantially more than what he would've earned had investors known the truth about Ocugen's business operations.

Date of Transaction	Shares	Average Share Price	Gross Proceeds ²	Losses Avoided ³
05/03/2021	195,809	\$14.24	\$2,788,320	\$2,518,104
06/07/2021	7,758	\$10.94	\$84,873	\$74,166
06/08/2021	22,800	\$10.98	\$250,344	\$218,880
09/15/2021	125,000	\$7.52	\$940,000	\$767,500
10/15/2021	125,000	\$9.80	\$1,225,000	\$1,052,500
11/01/2021	115,367	\$14.15	\$1,632,443	\$1,473,237
11/16/2021	115,000	\$8.04	\$924,600	\$765,900
12/16/2021	115,000	\$5.22	\$600,300	\$441,600
02/14/2022	90,000	\$3.74	\$336,600	\$212,400
03/16/2022	81,823	\$2.65	\$216,831	\$103,915
05/13/2022	125,000	\$1.92	\$240,000	\$67,500
07/14/2022	150,000	\$2.72	\$408,000	\$201,000
10/14/2022	100,000	\$1.66	\$166,000	\$28,000
12/16/2022	95,809	\$1.43	\$137,007	\$4,790
1/17/2023	100,000	\$1.28	\$128,000	-\$10,000
02/16/2023	100,000	\$1.08	\$108,000	-\$30,000
1/03/2024	180,204	\$0.65	\$117,133	-\$131,549
Total	1,664,366		\$10,186,318	\$7,757,944

165. Defendant Castillo sold a total of 67,000 shares while the price of the Company's stock was artificially inflated, earning approximately \$447,220 in proceeds, substantially more than what she would've earned had investors known the truth about Ocugen's business operations.

Date of Transaction	Shares	Average Share Price	Gross Proceeds	Losses Avoided
06/07/2021	10,000	\$10.00	\$100,000	\$86,200
11/02/2021	15,000	\$15.00	\$225,000	\$204,300
08/11/2022	42,000	\$2.91	\$122,220	\$64,260
Total	67,000		\$447,220	\$354,760

166. Defendant Fernandes sold a total of 33,500 shares while the price of the Company's stock was artificially inflated, earning approximately \$247,700 in proceeds, substantially more than what she would've earned had investors known the truth about Ocugen's business operations.

² Rounded to the nearest whole dollar.

³ Calculated using the \$1.38 closing price on April 2, 2024, the day the truth was revealed.

Date of Transaction	Shares	Average Share Price	Gross Proceeds	Losses Avoided
05/25/2021	33,500	\$8.20	\$274,700	\$228,470
Total	33,500		\$274,700	\$228,470

167. Defendant Kompella sold a total of 772,191 shares while the price of the Company's stock was artificially inflated, earning approximately \$8,478,138 in proceeds, substantially more than what he would've earned had investors known the truth about Ocugen's business operations.

Date of Transaction	Shares	Average Share Price	Gross Proceeds	Losses Avoided
04/26/2021	350,000	\$11.70	\$4,095,000	\$3,612,000
04/30/2021	20,000	\$11.56	\$231,200	\$203,600
05/03/2021	25,000	\$14.00	\$350,000	\$315,500
05/03/2021	25,000	\$16.02	\$400,500	\$366,000
05/28/2021	7,191	\$8.82	\$63,425	\$53,501
06/25/2021	10,000	\$8.14	\$81,400	\$67,500
07/30/2021	10,000	\$6.81	\$68,100	\$54,300
10/18/2021	200,000	\$8.41	\$1,682,000	\$1,406,000
10/20/2021	1,731	\$9.02	\$15,614	\$13,225
10/21/2021	1,898	\$9.01	\$17,101	\$14,482
10/25/2021	46,371	\$9.08	\$421,049	\$357,057
10/26/2021	25,000	\$12.05	\$301,250	\$266,750
11/01/2021	25,000	\$14.05	\$351,250	\$316,750
11/02/2021	25,000	\$16.01	\$400,250	\$365,750
Total	772,191		\$8,478,138	\$7,412,514

168. Defendant Kumar sold a total of 49,500 shares while the price of the Company's stock was artificially inflated, earning approximately \$228,210 in proceeds, substantially more than what he would've earned had investors known the truth about Ocugen's business operations.

Date of Transaction	Shares	Average Share Price	Gross Proceeds	Losses Avoided
04/19/2021	7,500	\$5.33	\$39,975	\$29,625
07/19/2021	7,500	\$6.40	\$48,000	\$37,650
10/18/2021	7,500	\$8.13	\$60,975	\$50,625
01/18/2022	7,500	\$4.07	\$30,525	\$20,175

04/18/2022	7,500	\$2.83	\$21,225	\$10,875
07/18/2022	7,500	\$2.57	\$19,275	\$8,925
10/06/2022	4,500	\$1.83	\$8,235	\$2,025
Total	49,500		\$228,210	\$159,900

169. Defendant Zhang sold a total of 300,000 shares while the price of the Company's stock was artificially inflated, earning approximately \$4,960,971 in proceeds, substantially more than what he would've earned had investors known the truth about Ocugen's business operations.

Date of Transaction	Shares	Average Share Price	Gross Proceeds	Losses Avoided
11/02/2021	149,700	\$15.75	\$2,357,775	\$2,151,189
11/03/2021	150,300	\$17.32	\$2,603,196	\$2,395,782
Total	300,000		\$4,960,971	\$4,546,971

170. Defendant Subramanian sold a total of 149,066 shares while the price of the Company's stock was artificially inflated, earning approximately \$1,173,467 in proceeds, substantially more than what he would've earned had investors known the truth about Ocugen's business operations.

Date of Transaction	Shares	Average Share Price	Gross Proceeds	Losses Avoided
04/29/2021	7,990	\$10.98	\$87,730	\$76,704
05/14/2021	31,000	\$8.18	\$253,580	\$210,800
06/15/2021	31,000	\$7.00	\$217,000	\$174,220
07/15/2021	31,086	\$6.70	\$208,276	\$165,378
08/16/2021	30,000	\$7.22	\$216,600	\$175,200
10/15/2021	7,990	\$9.96	\$79,580	\$68,554
10/26/2021	10,000	\$11.07	\$110,700	\$96,900
Total	149,066		\$1,173,467	\$967,756

171. Defendant Potti sold a total of 219,614 shares while the price of the Company's stock was artificially inflated, earning approximately \$2,881,474 in proceeds, substantially more than what he would've earned had investors known the truth about Ocugen's business operations.

Date of Transaction	Shares	Average Share Price	Gross Proceeds	Losses Avoided
05/03/2021	28,000	\$15.01	\$420,280	\$381,640
05/03/2021	60,000	\$15.02	\$901,200	\$818,400
06/15/2021	68,185	\$8.86	\$604,119	\$510,024
11/02/2021	63,429	\$15.07	\$955,875	\$868,343
Total	219,614		\$2,881,474	\$2,578,407

DAMAGES TO OCUGEN

172. As a direct and proximate result of the Individual Defendants' misconduct, Ocugen has expended and will continue to expend significant sums of money.

173. Such expenditures include, but are not limited to, legal fees, costs, and any payments for resolution or to satisfy a judgment associated with the Securities Class Action, and amounts paid to outside lawyers, accountants, and investigators in connection thereto.

174. Such expenditures will also include costs incurred in any internal investigation pertaining to violations of law, costs incurred in defending any investigations or legal actions taken against the Company due to its violations of law, and payments of any fines or settlement amounts associated with the Company's violations.

175. Ocugen has also suffered, and will continue to suffer, a loss of reputation and goodwill as a direct and proximate result of the Individual Defendants' misconduct which will plague the Company's share price going forward due to their misrepresentations.

DERIVATIVE AND DEMAND FUTILITY ALLEGATIONS

176. Plaintiff incorporates by reference and realleges each and every allegation set forth above, as though fully set forth herein.

177. Plaintiff brings this action derivatively in the right and for the benefit of Ocugen to redress injuries suffered and to be suffered as a direct and proximate result of the Individual Defendants' breaches of fiduciary duties, gross mismanagement, unjust enrichment, violations of

Section 14(a) of the Exchange Act, and other wrongful conduct as alleged herein.

178. Plaintiff has owned Ocugen common stock since before the beginning of the Relevant Period and has continuously been an owner of Company stock during all relevant times.

179. Plaintiff will adequately and fairly represent the interests of Ocugen and its shareholders in enforcing and prosecuting its rights and has retained counsel competent and experienced in derivative litigation.

180. A pre-suit demand on the Board is futile and therefore excused. At the time this action commenced, the Board consisted of six directors – Defendants Castillo, Fernandes, Kompella, Musunuri, Zhang, and Whittington (the “Director Defendants”). All six members of the Board are incapable of exercising independent objective judgment and/or making an independent and disinterested decision about whether to institute and vigorously prosecute this action.

181. The Director Defendants all face a substantial likelihood of liability for their individual misconduct, as they were directors during the time of the false and misleading statements and as such had a fiduciary duty to ensure that Ocugen’s SEC filings, press releases, and other public statements and presentations on behalf of Ocugen concerning its business, operations, prospects, internal controls, and financial statements were accurate.

182. The Director Defendants owed a duty to, in good faith and with due diligence, exercise reasonable inquiry, oversight, and supervision to ensure that Ocugen was acting legally and its internal controls were sufficiently robust and effective, and to ensure that the Board’s duties were being discharged in good faith and with the required diligence. Instead, they reviewed, authorized and/or caused the publication of the materially false and misleading statements discussed above that caused Ocugen’s stock to trade at artificially inflated prices.

183. The Director Defendants knowingly and consciously allowed the authorization of

false and misleading statements, failed to timely correct such statements, failed to take necessary and appropriate steps to ensure that Ocugen's internal controls were sufficiently robust and effective, and failed to take necessary and appropriate steps to ensure that the Board's duties were being discharged in good faith and with the required diligence. These knowing and conscious failures breached the fiduciary duties of loyalty and good faith, for which the Director Defendants face a substantial likelihood of liability.

184. The Director Defendants will not bring a suit on behalf of Ocugen to recover damages sustained because of this misconduct because they would expose themselves to significant liability. As such, demand is futile as to the Director Defendants.

185. Additional reasons that demand upon Defendant Musunuri is futile follow. As Ocugen admits in its SEC filings, Defendant Musunuri, Ocugen's Chairman of the Board, CEO, and Co-founder is not an independent director for purposes of demand futility. As CEO, Defendant Musunuri fails the NASDAQ's bright-line independence test. In addition, the Company provides Defendant Musunuri with his principal occupation, for which he receives significant compensation as detailed above.

186. Defendant Musunuri signed the above-referenced 2020, 2021, 2022, and 2023 Quarterly Reports filed on Form 10-Q and the above-referenced 2020, 2021, and 2022 Annual Reports on Form 10-K, which contained false and misleading statements. Further, he solicited the 2022 and 2023 Proxy Statements, which were likewise false and misleading. As a trusted Company director, Defendant Musunuri conducted little, if any, oversight of the scheme to cause Ocugen to make false and misleading statements, consciously disregarded his duties to monitor such controls over reporting and engagement in the scheme, and consciously disregarded his duties to protect corporate assets. Further, in violation of the Company's Code of Conduct, Defendant Musunuri

engaged in insider trading as detailed above, and thus personally benefitted from the false and misleading statements. Defendant Musunuri is a defendant in the Securities Class Action and thus faces potential liability.

187. Defendant Musunuri is not independent from Defendants Castillo, Fernandes, and Whittington, as they comprise the Compensation Committee and are responsible for evaluating and determining the compensation of the CEO and Executive Officers, including Defendant Musunuri. The purpose of the Compensation Committee is to assist the Board in discharging its responsibilities related to the compensation provided by Ocugen to its CEO and Executive Officers. Defendant Musunuri could not consider a demand adverse to the other Director Defendants serving on the Compensation Committee who are responsible for his financial future.

188. Lastly, Defendant Musunuri lacks independence due to the following related party transaction as detailed in the 2024 Proxy Statement:

In December 2021, we entered into an agreement with Advaita, Inc. (“Advaita”) to purchase 2,000 COVID-19 SalivaDirect™ Collection Test Kits (the “test kit”) for use in our Phase 2/3 immuno-bridging and broadening safety trial for COVAXIN. Pursuant to the agreement, we agreed to pay \$320,000 to Advaita for such COVID-19 test kits and the processing of such test kit samples. Additionally, in October 2022, we placed an order for an additional 500 test kits and the processing of such test kit samples in the amount of \$80,000. In March 2022, we entered into a services agreement with Advaita to engage them to develop and validate bioanalytical methods for SARS-CoV-2 Spike S1 ELISA, in support of our trials and ongoing research. Pursuant to the services agreement, we agreed to pay approximately \$295,000 to Advaita for such services. In December 2023, we terminated the services agreement.

Advaita was co-founded and is being managed by Mr. Karthik Musunuri, the son of our Chairman of the Board and CEO, Dr. Shankar Musunuri.

189. Additional reasons that demand on Defendant Castillo is futile follow. Defendant Castillo has served as a director of Ocugen since April 2020 and, as detailed above, derives substantial income from this employment. Accordingly, Defendant Castillo cannot reasonably

and objectively consider a demand to sue the Board who controls her continued compensation, including herself. Defendant Castillo signed the 2021 and 2022 Form 10-Ks, each of which contained false and misleading statements. Further, she solicited the 2022 and 2023 Proxy Statements, which were likewise false and misleading. Moreover, Defendant Castillo, as a trusted director, conducted little, if any, oversight of the scheme to cause the Company to make false and misleading statements, consciously disregarded her duties to monitor such controls over reporting and engagement in the scheme, and consciously disregarded her duties to protect corporate assets. Further, in violation of the Company's Code of Conduct, Defendant Castillo engaged in insider trading as detailed above, and thus personally benefitted from the false and misleading statements. Therefore, Defendant Castillo faces a substantial likelihood of liability for her breach of fiduciary duties and any demand upon her is futile.

190. Additional reasons that demand upon Defendant Fernandes is futile follow. Defendant Fernandes has served as a director of Ocugen since 2020 and, as detailed above, derives substantial income from this employment. Accordingly, Defendant Fernandes cannot reasonably and objectively consider a demand to sue the Board who controls her continued compensation, including herself. Defendant Fernandes signed the 2021 and 2022 Form 10-Ks, each of which contained false and misleading statements. Further, she solicited the 2022 and 2023 Proxy Statements, which were likewise false and misleading. Moreover, as a trusted director, Defendant Fernandes conducted little, if any, oversight of the scheme to cause the Company to make false and misleading statements, consciously disregarded her duties to monitor such controls over reporting and engagement in the scheme, and consciously disregarded her duties to protect corporate assets. Further, in violation of the Company's Code of Conduct, Defendant Castillo engaged in insider trading as detailed above, and thus personally benefitted from the

false and misleading statements. Therefore, Defendant Fernandes faces a substantial likelihood of liability for her breach of fiduciary duties and any demand upon her is futile.

191. Additional reasons that demand upon Defendant Kompella is futile follow. Defendant Kompella has served as a director of Ocugen since 2019, is a Co-Founder of the Company, and derives substantial income from this employment, as detailed above. Accordingly, Defendant Kompella cannot reasonably and objectively consider a demand to sue the Board who controls his continued compensation, including himself. Defendant Kompella signed the 2020, 2021, and 2022 Form 10-Ks, each of which contained false and misleading statements. Further, he solicited the 2022 and 2023 Proxy Statements, which were likewise false and misleading. Moreover, as a trusted Company director, Defendant Kompella conducted little, if any, oversight of the scheme to cause the Company to make false and misleading statements, consciously disregarded his duties to monitor such controls over reporting and engagement in the scheme, and consciously disregarded his duties to protect corporate assets. Further, in violation of the Company's Code of Conduct, Defendant Kompella engaged in insider trading as detailed above, and thus personally benefitted from the false and misleading statements. Therefore, Defendant Kompella faces a substantial likelihood of liability for his breach of fiduciary duties and any demand upon him is futile.

192. Additional reasons that demand on Defendant Zhang is futile follow. Defendant Zhang has served as a director of Ocugen since 2019 and derives substantial income from this employment, as detailed above. Accordingly, Defendant Zhang cannot reasonably and objectively consider a demand to sue the Board who controls his continued compensation, including himself. Defendant Zhang signed the 2020, 2021, and 2022 Form 10-Ks, each of which contained false and misleading statements. Further, he solicited the 2022 and 2023 Proxy

Statements, which were likewise false and misleading. Moreover, as a trusted director, Defendant Zhang conducted little, if any, oversight of the scheme to cause the Company to make false and misleading statements, consciously disregarded his duties to monitor such controls over reporting and engagement in the scheme, and consciously disregarded his duties to protect corporate assets. Further, in violation of the Company's Code of Conduct, Defendant Kumar engaged in insider trading as detailed above, and thus personally benefitted from the false and misleading statements. Therefore, Defendant Kumar faces a substantial likelihood of liability for his breach of fiduciary duties and any demand upon him is futile.

193. Additional reasons that demand on Defendant Whittington is futile follow. Defendant Whittington has served as a director of Ocugen since 2022 and has derived substantial income from this employment, as detailed above. Accordingly, Defendant Whittington cannot reasonably and objectively consider a demand to sue the Board who controls her continued compensation, including herself. Defendant Whittington signed the 2022 Form 10-K, which contained false and misleading statements. Further, she solicited the 2022 and 2023 Proxy Statements, which were likewise false and misleading. Moreover, as a trusted director, Defendant Whittington conducted little, if any, oversight of the scheme to cause the Company to make false and misleading statements, consciously disregarded her duties to monitor such controls over reporting and engagement in the scheme, and consciously disregarded her duties to protect corporate assets. Therefore, Defendant Whittington faces a substantial likelihood of liability for her breach of fiduciary duties and any demand upon her is futile.

Additional Reasons Demand is Futile

194. Defendants Whittington, Fernandes, and Castillo served as members of the Audit Committee during the Relevant Period. The Audit Committee is required to oversee, among other things, the accounting and financial reporting processes of the Company and the audits of the

financial statements of the Company, and otherwise meet their responsibilities as set forth in the Audit Committee Charter as set forth herein. In violation of the Charter, Defendants Whittington, Fernandes, and Castillo failed to adequately review and discuss the Company's Forms 10-K and Forms 10-Q; failed to adequately exercise their risk management and risk assessment functions; and failed to ensure adequate Board oversight of the Company's internal control over financial reporting, disclosure controls and procedures, and Code of Conduct. Thus, Defendants Whittington, Fernandes, and Castillo further breached their fiduciary duties, are not disinterested, and demand is excused as to them.

195. Ocugen has been and will continue to be exposed to significant losses due to the wrongdoing complained of herein, yet the Director Defendants have not caused Ocugen to take action to recover the damages Ocugen has suffered and will continue to suffer thereby.

196. In violation of the Code of Conduct, the Director Defendants conducted little, if any, oversight of the Company's engagement in the Individual Defendants' scheme to cause Ocugen to issue materially false and misleading statements to the public and to facilitate and disguise the Defendants' violations of law, including breaches of fiduciary duty, waste of corporate assets, and unjust enrichment. In violation of the Code of Conduct, the Director Defendants failed to comply with laws and regulations, failed to maintain the accuracy of company records, public reports, and communications, and failed to uphold the responsibilities related thereto. Thus, the Director Defendants face a substantial likelihood of liability and demand is futile as to them.

197. The Director Defendants received, and continue to receive, substantial salaries, bonuses, payments, benefits, and other emoluments by virtue of their membership on the Board. They have benefitted from the wrongs alleged herein and have engaged therein to preserve their positions of control and the prerequisites thereof and are incapable of exercising independent

objective judgment in deciding whether to bring this action.

198. The Director Defendants' conduct described herein could not have been the product of legitimate business judgment as it was based on bad faith and intentional, reckless, or disloyal misconduct. Thus, none of the Director Defendants can claim exculpation from their violations of duty pursuant to the Company's charter (to the extent such a provision exists). As a majority of the Director Defendants face a substantial likelihood of liability, they are self-interested in the transactions challenged herein and cannot be presumed to be capable of exercising independent and disinterested judgment about whether to pursue this action on behalf of the shareholders of Ocugen. Accordingly, demand is excused as being futile.

199. Publicly traded companies, such as Ocugen, typically carry director and officer liability insurance from which Ocugen could potentially recover some or all of its losses. However, such insurance typically contains an "insured vs. insured" disclaimer that will foreclose a recovery from the insurers if the Individual Defendants sue each other to recover Ocugen's damages. If no such insurance is carried, then the Director Defendants will not cause Ocugen to sue the Individual Defendants named herein, since, if they did, they would face a large uninsured individual liability. Accordingly, demand is futile in that event.

200. Accordingly, each of the Director Defendants, and at least a majority of them, cannot reasonably consider a demand with the requisite disinterestedness and independence. Indeed, any demand upon the Director Defendants is futile and, thus, excused.

CLAIM I

Against The Proxy Defendants for Violations of Section 14(a) of the Exchange Act and Rule 14a-9

201. Plaintiff incorporates by reference and realleges each and every allegation set forth above, as though fully set forth herein.

202. Section 14(a) of the Exchange Act, 15 U.S.C. § 78n(a)(1), provides that “[i]t shall be unlawful for any person, by use of the mails or by any means or instrumentality of interstate commerce or of any facility of a national securities exchange or otherwise, in contravention of such rules and regulations as the [SEC] may prescribe as necessary or appropriate in the public interest or for the protection of investors, to solicit or to permit the use of his name to solicit any proxy or consent or authorization in respect of any security (other than an exempted security) registered pursuant to section 12 of this title [15 U.S.C. § 78l].”

203. Rule 14a-9, promulgated pursuant to § 14(a) of the Exchange Act, provides that no proxy statement shall contain “any statement which, at the time and in the light of the circumstances under which it is made, is false or misleading with respect to any material fact, or which omits to state any material fact necessary in order to make the statements therein not false or misleading.” 17 C.F.R. § 240.14a-9.

204. Under the direction and watch of the Director Defendants, the 2022 Proxy Statement and the 2023 Proxy Statement failed to disclose that the Individual Defendants had violated the Code of Conduct and that the Board’s risk oversight mechanisms were evidently inadequate given the aforementioned misconduct.

205. The 2022 and 2023 Proxy Statements also failed to disclose that: (i) Ocugen’s financial statements during the Relevant Period were materially false and misleading; (ii) Ocugen did not have adequate internal controls in place; and (iii) as a result, the Company would have to restate its financial statements for the 2022 fiscal year, for each of the first three quarters of the 2023 fiscal year, and for each of the quarters of the 2022 fiscal year. As a result, Ocugen’s statements were materially false and misleading at all relevant times.

206. In the exercise of reasonable care, the Proxy Defendants should have known that

by misrepresenting or failing to disclose the foregoing material facts, the statements contained in the 2022 Proxy Statement and the 2023 Proxy Statement were materially false and misleading. The misrepresentations and omissions were material to Plaintiff in voting on the matters set forth for shareholder determination in the 2022 Proxy Statement and the 2023 Proxy Statement, including, but not limited to, the reelection of Defendants Kompella, Whittington, Castillo, and Fernandes to the Board, thus allowing them to continue breaching their fiduciary duties to Ocugen.

207. Ocugen was damaged because of the Director Defendants' material misrepresentations and omissions in the 2022 and 2023 Proxy Statements.

208. Plaintiff, on behalf of Ocugen, has no adequate remedy at law.

CLAIM II

Against Defendants Musunuri, Subramanian, Crespo, Vu, and Breininger for Contribution Under Section 21D of the Exchange Act

209. Plaintiff incorporates by reference and realleges each and every allegation contained above, as though fully set forth herein.

210. The conduct of Defendants Musunuri, Subramanian, Crespo, Vu, and Breininger as described herein has exposed the Company to significant liability under various federal securities laws by their misconduct.

211. Ocugen and Defendants Musunuri, Subramanian, Crespo, Vu, and Breininger are named as defendants in the related Securities Class Action that alleges and asserts claims arising under the federal securities laws. Ocugen is alleged to be liable to private persons, entities and/or classes by virtue of many of the same facts alleged herein.

212. If Ocugen is found liable for violating the federal securities laws, the Company's liability will arise in whole or in part from the intentional, knowing, or reckless acts or omissions of Defendants Musunuri, Subramanian, Crespo, Vu, and Breininger as alleged herein, who have

caused the Company to suffer substantial harm through their misconduct. Ocugen is entitled to contribution and indemnification from the Individual Defendants in connection with all claims that have been, are, or may be asserted against the Company by virtue of their wrongdoing.

213. As officers and directors, Defendants Musunuri, Subramanian, Crespo, Vu, and Breininger had the power or ability to, and did, control or influence, either directly or indirectly, Ocugen's general affairs, including the content of its public statements, and had the power or ability to directly or indirectly control or influence the specific corporate statements and conduct that violated the federal securities laws.

214. The Individual Defendants are liable under Section 21D of the Exchange Act, 15 U.S.C. § 78u-4(f), which governs the application of any private right of action for contribution asserted pursuant to the federal securities laws.

215. Defendants Musunuri, Subramanian, Crespo, Vu, and Breininger have damaged the Company and are liable to the Company for contribution.

216. As such, Ocugen is entitled to receive all appropriate contribution or indemnification from Defendants Musunuri, Subramanian, Crespo, Vu, and Breininger.

CLAIM III

Against the Individual Defendants for Breach of Fiduciary Duties

217. Plaintiff incorporates by reference and re-alleges each and every allegation contained above, as though fully set forth herein.

218. By reason of their fiduciary relationships, the Individual Defendants owed and owe the Company the highest obligation of good faith, fair dealing, loyalty, and due care.

219. The Individual Defendants violated and breached their fiduciary duties of care, loyalty, reasonable inquiry, oversight, good faith, and supervision.

220. The Individual Defendants knowingly issued false financial statements and made false and misleading statements regarding Ocugen's business operations, practices, and international controls in connection therewith, as alleged herein. These actions could not have been a loyal and good faith exercise of prudent business judgment to protect and promote Ocugen's corporate interests.

221. As a direct and proximate result of the Individual Defendants' failure to perform their fiduciary obligations, Ocugen has sustained significant damages, not only monetarily, but also to its corporate image and goodwill. Such damage includes, among other things, costs associated with defending securities lawsuits, severe damage to the share price of the Company, resulting in an increased cost of capital, the waste of corporate assets, and reputational harm.

222. As a result of the misconduct alleged herein, the Individual Defendants are liable to the Company.

223. Plaintiff, on behalf of Ocugen, has no adequate remedy at law.

CLAIM IV

Against the Individual Defendants for Gross Mismanagement

224. Plaintiff incorporates by reference and re-alleges each and every allegation contained above, as though fully set forth herein.

225. By their actions alleged herein, the Individual Defendants, either directly or through aiding and abetting, abandoned and abdicated their responsibilities and fiduciary duties with regard to prudently managing the assets and business of the Company in a manner consistent with the operations of a publicly held corporation.

226. As a direct and proximate result of the Individual Defendants' gross mismanagement and breaches of duty alleged herein, Ocugen has sustained significant damages

in excess of hundreds of millions of dollars and will continue to sustain significant damages.

227. Because of the misconduct and breaches of duty alleged herein, the Individual Defendants are liable to the Company.

228. Plaintiff, on behalf of Ocugen, has no remedy at law.

CLAIM V

Against the Individual Defendants for Waste of Corporate Assets

229. Plaintiff incorporates by reference and realleges each and every allegation contained above, as though fully set forth herein.

230. The wrongful conduct alleged regarding the issuance of false and misleading statements was continuous, connected, and on-going throughout the Relevant Period. It resulted in continuous, connected, and ongoing harm to the Company.

231. As a result of the misconduct described above, and by failing to properly consider the interests of Ocugen and its public shareholders, the Individual Defendants wasted corporate assets by, *inter alia*: (i) paying excessive compensation and bonuses to certain of its executive officers; (ii) awarding self-interested stock options to certain officers and directors; (iii) incurring potentially millions of dollars of legal liability and/or legal costs to investigate and defend Defendants' unlawful actions; and (iv) causing the loss of financing from investors and business from future customers who no longer trust Ocugen and its products.

232. As a result of the waste of corporate assets, the Individual Defendants are liable to the Company.

233. Plaintiff, on behalf of Ocugen, has no adequate remedy at law.

CLAIM VI

Against the Individual Defendants for Unjust Enrichment

234. Plaintiff incorporates by reference and realleges each and every allegation set forth above, as though fully set forth herein.

235. By their wrongful acts, violations of law, and inaccurate and untruthful information and/or omissions of material fact that they made and/or caused to be made, the Individual Defendants were unjustly enriched at the expense of, and to the detriment of, Ocugen.

236. The Individual Defendants either benefitted financially from the improper conduct, or received bonuses, stock options, or similar compensation from the Company that was tied to the performance of the Company or its stock price or received compensation or other payments that were unjust in light of the Individual Defendants' bad faith conduct.

237. Additionally, at the time of their stock sales set forth herein, Defendants Musunuri, Subramanian, Kumar, Zhang, Kompella, Potti, Castillo, and Fernandes knew of the information described above, and sold Ocugen common stock on the basis of such information. Their sales of Ocugen common stock while in possession and control of this material adverse non-public information was a breach of their fiduciary duties of loyalty and good faith.

238. Plaintiff, as a shareholder and representative of the Company seeks restitution from the Individual Defendants and seek an order from this Court disgorging all profits, including from insider transactions, the redemption of preferred stock, benefits, and other compensation, including any performance-based or valuation-based compensation, obtained by the Individual Defendants due to their wrongful conduct and breach of their fiduciary and contractual duties.

CLAIM VII

Against the Director Defendants for Aiding and Abetting

239. Plaintiff incorporates by reference and re-alleges each and every allegation set forth above, as though fully set forth herein.

240. The Director Defendants exploited, aided and abetted, and were knowing and culpable participants to the breaches of fiduciary duty by the Individual Defendants.

241. Specifically, the Director Defendants, in violation of the Company's corporate governance, engaged in and/or permitted the Company to engage in the scheme to issue materially false and misleading statements to the public, including in the Company's SEC filings, and by facilitating and disguising the Individual Defendants' violations of law as alleged herein, and failing to report the same.

242. As a result, the Director Defendants substantially assisted the Individual Defendants in breaching their fiduciary duties and in committing the other wrongful and unlawful conduct as alleged herein.

243. As a direct and proximate result of the aiding and abetting the breaches of fiduciary duty alleged herein, the Company has sustained and will continue to sustain significant damages.

244. As a result of the misconduct alleged herein, the Director Defendants are liable to the Company.

CLAIM VIII

Against Defendants Castillo, Kompella, Musunuri, Subramanian, Fernandes, Kumar, Potti, and Zhang for Insider Selling

245. Plaintiff incorporates by reference and re-alleges each and every allegation set forth above, as though fully set forth herein.

246. By reason of their fiduciary roles as officers, directors, and/or controlling persons of Ocugen, Defendants Castillo, Kompella, Musunuri, Subramanian, Fernandes, Kumar, Potti, and Zhang (the "Insider Selling Defendants") specifically owed Ocugen the highest obligation of due care, good faith, and loyalty.

247. As officers, directors, and/or controlling persons of the Company, the Insider

Selling Defendants were given access, directly or indirectly, to material information about the Company, as described above, which was not generally available to the public.

248. When the Insider Selling Defendants sold their Company stock, as detailed *supra*, they were in possession of material, non-public information, and sold Company stock on the basis of such information; information which they each knew had a significant effect on the market price of the Company's stock.

249. The information described above was proprietary, non-public information concerning the Company's business operations and financial condition. It was a proprietary asset belonging to Ocugen, which the Insider Selling Defendants misappropriated to their own benefit when they sold holdings in Company stock. The Insider Selling Defendants knew that this information was not intended to be available to the public. Had such information been generally available to the public, it would have significantly reduced the market price of Company stock.

250. As the use of Ocugen's proprietary information for their own personal gain constitutes a breach of the Insider Selling Defendants' fiduciary duties, Ocugen is entitled to disgorge any illegal profits obtained thereby.

REQUEST FOR RELIEF

WHEREFORE, Plaintiff demands judgment as follows:

A. Awarding money damages against all Individual Defendants, jointly and severally, for all losses and damages suffered as a result of the acts and transactions complained of herein, together with pre-judgment interest, molded in a fashion to ensure the Individual Defendants do not participate therein or benefit thereby;

B. Directing all Individual Defendants to account for all damages caused by them and all profits and special benefits and unjust enrichment they have obtained as a result of their

unlawful conduct, including all salaries, bonuses, fees, stock awards, options and common stock sale proceeds, and imposing a constructive trust thereon;

C. Awarding punitive damages;

D. Awarding costs and disbursements of this action, including reasonable attorneys' fees, accountants' and experts' fees, costs, and expenses; and

E. Granting such other and further relief as the Court deems just and proper.

JURY DEMAND

Plaintiff demands a trial by jury.

Dated: September 13, 2024

Respectfully submitted,

THE ROSEN LAW FIRM, P.A.

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Counsel for Plaintiff

VERIFICATION

I, Ratna Kammuluri am a plaintiff in the within action. I have reviewed the allegations made in this shareholder derivative complaint, know the contents thereof, and authorize its filing. To those allegations of which I have personal knowledge, I believe those allegations to be true. As to those allegations of which I do not have personal knowledge, I rely upon my counsel and their investigation and believe them to be true. I declare under penalty of perjury that the foregoing is true and correct.

Executed this 9/13/2024 of 2024

Signed by:

Ratna Kammuluri

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Ratna Kammuluri